

The NATIONAL UNDERWRITER

Life Insurance Edition



"Grown-Up"
LIFE INSURANCE
for
BOYS and GIRLS

\$10,000 RETIREMENT INCOME PLAN

Monthly Retirement Income equivalent to
3% on

\$ 40,000 Starting at age 55, 60 or 65 according to plan selected

• • • GUARANTEES

\$ 100 Monthly throughout life, starting at retire-
ment age selected

• • • GUARANTEES

(If insured dies after income begins, but
before being paid for 10 years)

\$ 100 Monthly for remainder of first 10 years

These and
Other Income
Options
Available

GUARANTEES

If insured dies before age selected for income to start — 55, 60, 65

\$ 10,000 Cash—or cash value of policy, whichever is larger
(Payable as income to beneficiary, if preferred)

Pays Annual Dividends
Low Premiums for Youngsters

Massachusetts Mutual
LIFE INSURANCE COMPANY
Springfield, Massachusetts

Our 95th Anniversary Year

FRIDAY, SEPTEMBER 27, 1946



One situation—two inevitable reactions!

Women are won over to the advantages of family insurance when you talk from their vantage point in the magazine most of them read—

LADIES' HOME
Journal

THE MAGAZINE WOMEN BELIEVE IN

SEPTEMBER 27, 1946

50th Year. No. 39

Emphasis on Workers' Progress at L.O.M.A. Parley

More Than 500 Turn
Out for Valuable
Milwaukee Sessions

By ROY ROSENQUIST

MILWAUKEE — With representatives of 137 of the 181 member life companies in attendance, the annual conference of the Life Office Management Assn. was held here for three days, starting Monday morning. The registration of company representatives, ladies and guests, which had been estimated from 325 to possible 400, exceeded 500 on the opening day.

Horace W. Foskett, financial vice-president of Equitable Life of Iowa, was elected president. The new vice-president is R. C. Kneil, vice-president of Reliance Life.

Mr. Foskett, who was general chairman, opened the proceedings with a brief talk of welcome and commented on the convention theme, "Adjusting Life Office Operations to Post-War Conditions." Lloyd Crippen, vice-president and actuary Acacia Mutual, was session chairman.

Representing the Milwaukee and Wisconsin member companies of the association M. J. Cleary, president of North-



M. J. Cleary



Robert M. Green

western Mutual, extended greetings on behalf of Old Line Life, Great Northern, Northwestern Mutual, National Guardian, and Wisconsin National.

Insurance Always Adjusting

Life insurance has always been adjusting, he said—adjusting to war, adjusting to social and political conditions and to changes in business and business structure.

Just how much the life office has changed in the past 50 years was strikingly portrayed by Robert M. Green, president of L.O.M.A. and vice-president of Prudential, with an imaginary view of 1946 as seen by an 1896 prophet at his high desk in a dingy, poorly-lighted office. There has been improved management; improved methods and procedure; improved supervision; improved training and education of the employee; improved coordination between parts of the company; and improved means of controlling the cost of operation. Where once every company kept its every procedure a secret, there now is cooperation between the companies for the general welfare of life insurance as a whole. Even though benefits to policyholders have increased, and even though working conditions are better

Industry Expense Ratio Up Only .1% in 1945

The ratio of life insurance operating expenses to total income increased slightly in 1945 to 13.7%, compared with 13.6% for 1944, it is reported by the Institute of Life Insurance. Except for these two years, the 1945 ratio was the lowest since 1933, and was 0.3 below the average for the 10 years prior to the war.

It was noted that the ratio for the war years was below that for the years prior to the war. The average for the years 1942-45 inclusive was 13.7% while the average for the ten years prior to the war was 14.0%. Applied to total annual income of the business this difference represents a saving in aggregate expenses of approximately \$20 million annually.

Expense items include sales costs and all agency expenses; all home office salaries; medical fees; rents; printing, postage, and other management expenses.

and higher salaries are paid, the charge for insurance during the past 50 years has remained just about the same through improved office management. It is just as impossible to prophesy the trend during the next 50 years as it was to foresee 1946 back in 1896.

The more thorough educating of the employee may be the beginning of a trend. But is that education going beyond the technical? Of 447 business companies with training programs only 30 upon being questioned felt that they were going beyond the merely technical.

G. Rowland Collins, dean of the New York University graduate school of business administration, made a forceful plea for education to extend into open-minded study of economics, for the economic program of a country can move no faster than the people understand and approve. Training programs should be introduced, but they should be long range operations.

Although experience is necessary, alone it is a wasteful method of learning, alone it may become routine, action without thought. In the past there was little cooperation between business leaders and educators; education was fluency rather than competence and something that ended at a specific age; it was claspable by the "dead hand of Plato." Education cannot come to an end ever during a man's lifetime, for by the time a man is middle-aged the world of his twenties is gone.

Tells State Farm Experience

The subject of education entered Robert C. Perry's discussion of State Farm Life's experience with L.O.M.A. Institute courses; Miss Marion A. Bills, assistant secretary of the Aetna Life, recommended the use of special phonograph records for stenography tests.

Orientation is the channeling of the attitude of the new clerk, said Orville M. Frye of Metropolitan Life, personnel division. Persons working in the personnel departments must remember that in interviewing applicants, first impressions must be good ones; too good a picture must not be painted; and each one in the employment office must be

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Life Insurance Premiums Now at \$5½ Billion Rate

American families are using approximately 3.3% of the national income for protection through life insurance and annuities, the Institute of Life Insurance reports. This is based on current premium payments which are running at an annual rate of \$5½ billion. Protection provided by these premiums is now in excess of \$160 billion of life insurance, supplemented by annuities which represent annual income of \$866 million. In 1945, total premiums were \$5,249,000,000.

Over the past 50 years national income has grown from \$13 billion to \$161 billion, and in the same period, the aggregate of premiums put into life insurance has increased from about \$250 million to \$5½ billion annually.

The portion of national income used for life insurance as ownership has broadened and the average per family put into life insurance rose from \$20 in 1900 to \$140 in 1945.

Ratio Below Pre-War

The current ratio of premiums to income is only 3.3%, compared with an average of 5.5% for the five years prior to the war and 8.8% in 1932, when national income was at its low point.

It was noted that funds used to maintain life insurance have shown a high degree of persistence and stability in bad years as well as good. In only three years of the past 50, in 1932-33 and 1936, have aggregate premiums declined. In 1933, when the premium total was 9% below the previous peak of 1931, national income was almost 50% below its previous peak.



G. Rowland Collins

Indiana and Detroit Share Sales Honors in August

Indiana showed the greatest rate of increase in ordinary life sales in August, with Mississippi second and Montana third, according to L.I.A.M.A. Countrywide, ordinary business increased 72% in August, compared with August, 1945, while Indiana sales gained 100%, Mississippi 96% and Montana, 92%.

For the first eight months, with national ordinary sales up 62% over a year ago, New Hampshire led with an increase of 85%, with Texas in second place, up to 78% over the corresponding period of last year.

Among the large cities, Detroit showed the greatest gain, up 108% in August. Cleveland was second, with a gain of 84%. For the eight months, Philadelphia and Detroit were tied in the lead with a gain of 73%. The figures for the leading cities are:

Boston, up 36% in August; 52% for year; Chicago, 60% and 56%; Cleveland, 84% and 64%; Detroit, 108% and 73%; Los Angeles, 59% and 54%; New York City, 49% and 49%; Philadelphia, 75% and 73%; St. Louis, 57% and 59%.

Hobbs to Be Honored at Chicago Managers Dinner

The Life Agency Managers of Chicago will hold a dinner to honor Philip B. Hobbs, Equitable Society manager in Chicago, newly elected president of the National Association of Life Underwriters, the evening of Oct. 8 in the Michigan room at the Edgewater Beach hotel, Charles J. Zimmerman, director of company relations of Life Insurance Agency Management Association, will be the speaker. John M. Caffrey of John Hancock, president of the group, will preside.

N.F.C. Program for Chicago Convention Announced

Fraternalists of U. S. and Canada to Gather Late in October

Complete program for the annual convention of the National Fraternal Congress to be held Oct. 21-25 in the Morrison Hotel, Chicago, was announced this week by Walter C. Below, president of Fidelity Life, Fulton, Ill., the president. It includes a number of addresses on subjects of paramount interest to fraternalists at this time.

As usual the various N.F.C. sections will hold their annual meetings Oct. 21, each with a comprehensive program of addresses and discussions. The sections will elect and install new officers. The Fraternal Actuarial Association, an allied organization, will hold its annual meeting, the same day. Section programs soon will be announced.

Field Managers Gather

The convention week really will start Sunday with the annual meeting of the Fraternal Field Managers Association. Field problems, recruiting and training of salesmen will be taken up.

The N.F.C. executive office in Chicago will be represented by Foster F. Farrell, manager, and his staff. The program is:

Sunday, Oct. 20, 1946, 9:30 a.m. Meeting of Fraternal Field Managers Association, S. C. Holston, president.

Monday, Oct. 21, 1946. Registration and section meetings.

Presidents, T. W. Midkiff, Woodmen of the World, Denver. Secretaries, W. C. Braden, Woodmen of the World Life, Omaha.

Law, O. Stum Wells, Woodmen Circle, Omaha. Medical, Dr. E. E. Taylor, Woodmen of the World, Denver.

Press, Rose Callahan, Ladies Catholic Benevolent.

State Congresses, J. P. Michalski, Polish Association, Milwaukee.

Fraternal Actuarial Association, E. D. Brown, Lutheran Brotherhood, Chicago.

Tuesday, Oct. 22, 10:00 a.m. General session.

Walter C. Below, Fidelity Life, president, presiding.

Presentation of Flag, Women's Catholic Order of Foresters.

Invocation, Doctor Charles Goff, minister Chicago Temple.

Welcome to Illinois, Margaret Gorman, president Illinois Fraternal Congress. Greetings, Insurance Director Parkinson of Illinois.

Greetings from Canadian Fraternal Association, W. W. Dunlop, president.

Greetings from American Life Convention, R. L. Hogg, manager and general counsel.

Greetings from Life Insurance Association, Dave E. Satterfield, Jr., general counsel.

Response, Clara B. Bender, vice-president N. F. C.

Report of President Below.

Reading of Minutes, F. F. Farrell, manager.

Appointment of sessional committees.

Report of executive committee.

Report of secretary-treasurer and manager, Mr. Farrell.

Report of auditing committee, Otto Hanson, Independent Order of Svitiod, chairman.

"Then, Now and Tomorrow," Farrar Newberry, president W. O. W., Omaha.

Report of membership committee, Fred A. Johnson, Royal League, chairman.

Memorial Service, Thomas H. Cannon, Catholic Order of Foresters, presiding.

Memorial Address, Rev. W. A. O'Conor, director Catholic charities, archdiocese of Chicago.

Tuesday, Oct. 22, 1946, 2:00 p.m.

Report of committees on general welfare, Mary E. McCullough, W.C.O.F.

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Incentive Pay Advocated as Offset to Help Shortage

NEW YORK—Why clerical help will continue to be scarce, how to boost output 50 to 100% by incentive plans for office workers, the value of movies in training employees, and the need for constant review of procedures in order to eliminate needless operations were discussed in much detail at the office management conference of the American Management Assn.

Following is a summary of the main points made by a number of the speakers:

A. Ford Hinrichs, former acting commissioner bureau of labor statistics, now economist for the Kiplinger Washington Agency—Women available for office work between the ages of 20 and 35 years, the core of the office and clerical working force, are now one million below the normal level based on pre-war trends. The labor shortage in their field will persist "for some time." More than 1½ million women quit work, chiefly because their husbands returned from the armed forces or they married returned veterans. This has had a particular effect on office help because by the war's end seven out of 10 clerical workers were women, although before the war only half were women.

No Over-All Shortage

This does not mean that an over-all shortage is developing. Much of the employment of the past half year was taken up in preparing for the production of goods expected in the next six months. A sharp rise in the flow of finished goods will be accompanied by a smaller proportionate increase in employment. The current unfilled need for labor is largely of two types: Key positions for which there is an inadequate number of trained persons and the relatively low-paying jobs which are always hard to fill in times like the present. Both types are important to office work. Employers would do well to overcome their prejudice against hiring older women but don't draw youngsters from school before they have graduated unless you want to face a shortage of trained help later on.

R. S. MacKenzie, chief industrial engineer Atlantic Refining Co.—Output per office worker can be increased from 50 to 100% with an accompanying saving in floor space and equipment if wage incentives employed in many factories are established in offices. Work measurement and wage incentive plans have been successfully applied to most basic office operations and the office worker is going to demand the same opportunity for extra earnings through incentives as is enjoyed by the plant worker. A 20% net labor cost reduction is normal expectation, with many cases doubling this figure. Experience shows the pre-incentive level of productivity to be running from 40 to 60% of a full day's work.

Urge Incentive Plans

A fair day's work is looked upon by informed members of management as being something in the neighborhood of two-thirds of a full potential day's work and even this two-thirds day's work is seldom reached or maintained for the payment of basic wages alone. Self-satisfaction, promotion and fear of losing the job as incentives are overshadowed by the negative influence of resentment incurred by the "eager beaver," an impression that output plays little part in gaining promotion, and the unfortunate human characteristic of wanting the most in return for giving the least.

L. B. Michael, manufacturing engineer, Western Electric Co.—Continuing administration of job evaluation and salary standardization plans is needed to bring stabilization to the office wage structure and afford an equality of opportunity for pay and promotion. Such

plans should be administered by a central organization within the company so as to assure uniformity among departments which would eliminate discontent. After all jobs are studied, described, evaluated and assigned appropriate pay employees should not be kept in the dark on salaries or job rating.

INFORM EMPLOYEES

Dorothy Proesch, training coordinator of Aldens, Inc., Chicago—Any dynamic management is almost forced to dedicate itself without regard for effort or cost to creating a feeling of company-wide cooperation and destroying suspicion and antagonism between groups. Most companies freely broadcast the facts and figures of business to government, research agencies, stockholders and the press and should not be reluctant to share this information with employees as a means of combating "hate crusades" designed to make management appear as an enemy.

Programs should keep employees informed of company policies and activities should begin with a survey of employee opinion to determine what employees know and do not know and what they misunderstand. Information to fill the gaps of the employees' knowledge about their own company can then be supplied in handbooks, house organs, bulletin boards, group meetings, grievance sessions, direct mail, training programs and similar methods. Employees as individuals in a democratic industrial society have their moments of apprehension while management decides their fate behind closed doors and in ivory towers just as the people of the world wait with bated breath for a clue as to our future fate which will come out of the present Paris peace conference. Forces now at work using every possible means of propaganda to create unrest and suspicion will be completely ineffective when management keeps its employees completely informed.

Should Have Closer Tie with Schools

H. G. Hutton, personnel representative General Electric Co.—The possibility of linking training in secondary schools with the needs of businesses as a possible solution to the problem of the shortage of beginner and part-time workers should be explored. This linking would also provide for upgrading the educational levels of employees, as-

sumption by schools of the burden of training, an opportunity for a trial period for new employees before permanent employment, and a reduction in the turnover of employees. Last year in New York City 76 commercial firms employed students on such jobs as messengers, junior clerks, stenographers and business machine operators with the students receiving prevailing wages paid full-time workers under a system which provided one week in school and one week at work. This helped relieve the personnel shortage and supplemental vocational education with practical experience.

Commander August Dvorak, USNR, project supervisor, training film branch, Navy Department—Excellent results have been obtained by the army and navy in teaching operation of office equipment and office procedures with the aid of films. To cut down the necessary training period more than printed or oral instruction should be used. Companies that cannot afford to own their own special projection equipment or to film movies for their own particular needs can find films already prepared by larger companies available for small rental charges or free of charge.

Offices Declared too Complex

J. M. Robins, president Roberk Co., Norwalk, Conn.—Business offices have become a great deal more complex than they should be and in some cases have reached a point where they are an end in themselves rather than a service organization. Office managers should cultivate the habit of tearing up unnecessary correspondence, abolishing useless carbon copies and a myriad of paper forms often used "because they always have been." Even though poking fun at army red tape is popular, the army has prepared booklets on office routine and control, one of which gives a complete treatise on correspondence of less than 100 words. The salutations and closings in correspondence might be eliminated because they have become so formalized as to be meaningless. The familiar term "work simplification" presupposes an existing complexity which might well be removed from the office if executives will institute a process of "debunking" in their own company.

MUST BE LEADER

J. George Frederick, president Business Bourse, New York City—Office managers require a greater range of knowledge and personal qualities than almost any other executive and they should be selected on that basis instead

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Perry Applauds L.O.M.A. Courses

Make Employees Feel They "Belong"—Build Executive Material

MILWAUKEE—Robert C. Perry, vice-president and actuary of State Farm Life, gave a glowing testimonial to the L.O.M.A. Institute course in addressing the L.O.M.A. annual meeting here.

The employee who takes the course, he said, develops a greater appreciation of the importance of life insurance as a public service and of the efforts of insurance companies to discharge their responsibilities of trusteeship. At the same time, his daily tasks assume new significance, as well as those of fellow employees. The natural result is a spirit of cooperation.

Many students develop special interest in certain phases of the work and proceed to develop their talents along the lines which interest them most. An opportunity is given the employee to reveal his potentialities to management and to feel that he "belongs."

In assisting the employee the course aid company-employee relations. In pre-employment interviews many prospective employees are intensely interested in the opportunities afforded by the institute courses. Thus, the courses assist in attracting a better grade of employee to the company.

Individual Approach

Mr. Perry said that modern personnel benefit plans are viewed as assistance to employees as a class rather than of specific assistance to "Sally Jones, who graduated from high school last spring and is now a typist in the medical department, or Jim Smith, whom we hope to develop into a cashier."

It is here that a program such as that of the L.O.M.A. Institute demonstrates its merit. It encourages participation in an educational program which will enable the individual employee to progress in accordance with his individual ambitions and talents.

In this era of specialization, there is a tendency to overlook the importance of a well-rounded employee who not only is technically able to perform certain specific functions but who has the background with which to recognize the relationship of his particular job to other jobs and to the over-all objectives and purposes of his company, as well as those of the industry generally. Such an employee automatically attains the maximum of job satisfaction and after the turmoil over wages vs. cost of living is ended, "we are likely to enter an era when the job satisfaction has distinctly more meaning to the normal employee individual than it has in the past."

Public Relations Emissary

Through the institute courses, a better appreciation of the ideals and principles of the business can be attained and the employee becomes a public relations emissary.

From present day clerks will come the future management, and every means at command must be used to develop and train future executive material.

So far State Farm employees have successfully completed 151 examinations in institute work, representing an average of 1.8 examinations per employee.

During the coming year about one-fourth of the employees will be engaged in institute work. In addition about 5% of the staff will be engaged in preparation for examinations along specialized lines such as actuarial, C.L.U. and C.P.A. There is one candidate for a law degree. Still others participate in night schools. State Farm is considering development of courses in conjunction with a local university designed to assist employees in extending their knowledge beyond the field of insurance.

Success Has Basic Rules

Denny Suggests to N. J. Agents How Best to Apply Fundamentals

R. H. Denny



NEWARK — Three fundamentals of success for individual producers were discussed by Robert H. Denny, vice-president and superintendent of agencies of State Mutual, before the Life Underwriters Assn. of Northern New Jersey at the monthly luncheon. The three basic requirements of production success Mr. Denny designated as the prospecting system, the type of presentation, and

plan of operations. All good prospecting methods have one thing in common, said Mr. Denny. They use the reference or endless chain system. They travel from the known into the unknown, discovering new acquaintances who are suggested by old acquaintances. But some agents reach a plateau in their development as insurance men. A man must not only use the reference system for prospects but must know how to make it work.

Do Thinking for Key Man

"Your key man, the man who is going to introduce you to a new prospect is likely to have a certain antipathy against sending a salesman to a friend or acquaintance," he said. "Explain to him how you are using his name; how you operate before a prospect and what you are looking for in the way of prospects. This key man is the center of influence for you and you must do his thinking for him."

"For example I once sold a policy to a man who was head of his state association of undertakers. I found that he had 25 or 30 colleagues in the same area. I brought him a list of names and asked him to check the good prospects. As is the case with most of us this man knew more about his competitors than his friends. I made sure my key man would know how I was going to use his name. Not 'Mr. Blank sent me,' but, 'I went to see Mr. Blank about you and he spoke so highly of you that I came over to make your acquaintance. I'm in the life insurance business.' And so on. He also understood that I was looking for changes in situations: promotions, marriages, births. This enabled him to see the prospect from my point of view."

Reaching Wealthier Prospects

"In good prospecting the problem of getting to a higher, better type of person is always present. The agent needs a mechanism to force him into a better type of contact all the time. One way of doing this is to determine to find four people each month who could afford \$100,000 of insurance if the sale is presented right. At first you may not be successful. It is necessary to keep forcing yourself to maintain this type of prospecting until you are."

Mr. Denny told of one agent who has kept a list of the references which appear on the back of every application. He maintains that they are worth nearly \$5 each whether he has called on them or not. And this is so because, in selecting references, people take others superior to themselves.

Adaption not Adoption

In all these plans it is not a question of adopting them but of adapting them. There is no plan that can't be made better if you adapt it to your own personal need, he said. No one can tell you exactly how to work. You wouldn't like it if he did.

A man ran into a panhandler who asked him for a dollar. He told the bum

that he shouldn't be out on the street asking for money, he should be applying to a charity. The panhandler replied, "You're not going to give me the dollar. That's all right. That's your business. But what burns me up is for you to tell me how to run my business."

All the organizing and background work you do is for the purpose of bringing your presentation before a prospect. That is where performance counts. It is necessary to establish confidence in our person, confidence that we know our business. A third necessity is to let the prospect state his point of view. If he would rather talk than listen, encourage him. Remember the salesman who came into an office. He said he was selling check protectors. The businessman said "fine—I'll take eleven. You can get your check from my secretary." The salesman said, "Not on your life, there's a 45 minute sales talk goes with this and you're going to hear every word of it."

Plan of Operations

As to the plan of operations, everyone has one, but how has it worked out? Every action should count.

At the close of his talk, Mr. Denny displayed a "chart" which he had said would be the most vital part of his speech and would furnish the keys to success in the insurance business. The first that he unveiled with great ceremony was a doorknob. The second "chart" proved to be a pair of old shoes found on the feet of a cold-canvass man lost in the Hackensack river.

Charles W. Mercer, general agent of Massachusetts Mutual, introduced Mr. Denny. John W. Wood, State Mutual, presided.

WESTERN & SOUTHERN

State Officials Briefed on Mutualization Plan

COLUMBUS—A conference examination of the books of Western & Southern Life will start Jan 6, to be conducted by representatives of the departments of the eight states in which the company operates. At a meeting here the plans of the company for mutualization were explained to commissioners and their representatives. The purpose was to acquaint the departments with the plans, so they can answer intelligently questions that are expected to be asked of them when the formal announcement of the mutualization proposition is made.

The plan submitted by the representatives of the company at the meeting in Columbus will be changed somewhat, it is understood. The mutualization plans must be approved by stockholders and ordinary policyholders with \$1,000 or more insurance, and the Ohio department must approve as well.

Attending the conference were Commissioners Pearson, Indiana; Wilson, Kentucky; Jackson, Missouri; Harlan Justice, West Virginia; Neel, Pennsylvania; Herbert Thompson, Michigan, and Actuary Carl Tiffany, Illinois, together with representatives of the Ohio department.

Parkinson Gets Records of N.A.I.C. in Okla. City

Insurance Director Parkinson of Illinois, secretary-treasurer of the National Association of Insurance Commissioners, was in Oklahoma City to take over the records of Jess G. Read, secretary. Parkinson was appointed at Syracuse to succeed Read.

All Industry Bills Are Under Fire in Pacific Parley

Various Interests Voice Objections at Zone 6 Commissioners Conference

SAN FRANCISCO—Definite and specific objections to the all industry rating bills were expressed at a meeting of zone 6 commissioners with producers, company and organization executives and a committee of the all industry committee here Monday. The Insurance Brokers Exchange of California, Society of Insurance Brokers of San Francisco and Society of Insurance Brokers of California presented a joint set of resolutions and an explanatory memorandum objecting on the grounds that such restrictive legislation was not necessary; that state rate making lent itself to political manipulations; that rating laws in other states have not produced the same high type of service in rates and forms as in the "free" state of California; that if universally adopted, free competition would not prevail. They pointed out that in California over the years agents and brokers have declined to use forms manufactured in the east as mandatory, with beneficial results to the insuring public at competitive rates.

Crafts Reiterates Position

James F. Crafts, president of Fireman's Fund, reported that he had the same objections as stated at the Portland convention of the commissioners in June. He also said that California companies, both independents and board or bureau, had harmonized their positions and were preparing bills of their own to present to the California legislature in January.

William Leslie, general manager National Bureau of Casualty & Surety Underwriters, defended the all industry bills against some of these charges, saying that they did not give the commissioners too much power over rates or forms and that competition would prevail.

General sentiment of the meeting was that restrictive regulation of this character was not needed to meet requirements of PL 15. In reply to a question to the effect that Idaho and Oregon were planning to scrap their present laws, Commissioners Thompson, Oregon, and McMonigle, Idaho, replied there was no such intention but they would rewrite the laws by amendments incorporating provisions of the all industry bills. Idaho and Utah both requested that objectors submit to them detailed objections and reasons because they must have legislation prepared by Dec. 1. Thompson of Oregon was chairman. The meeting continued all day Tuesday.

L.A.A. Exhibits Judges Named

The complete panel of judges of exhibits for the annual meeting of the Life Insurance Advertisers Assn., Oct. 24-26 in Chicago, has been announced by F. J. O'Brien, Franklin Life, exhibits chairman.

The judges are Charles Axelson, Northwestern Mutual Life, Chicago; Charles P. Hammond, director of advertising and promotion, National Broadcasting Co.; Arthur P. Kane, president Kane Advertising, Bloomington, Ill.; Earl Schwemm, manager Great West Life, Chicago; and Joe Zemlick, president Zemlick-Balch, Chicago.

Entries to date point to the greatest number of exhibits in history.

Business for Yourself

Glenn D. Commons, a member of the Penn Mutual's James M. Royer Agency in Chicago, is a returned serviceman. When asked "How does the life insurance business look to the veteran?" he said:

"When 1700-odd underwriters can do as much business today as 5,000-odd underwriters and brokers could do in the late 20's, there just couldn't be any answer other than 'It's wonderful.'

"With each of you as an individual contractor, in business for yourself, and investing only knowledge, time and energy, and absolutely independent, there just isn't any other answer than a positive superlative."

"Add to that the respect and prestige that come with being in the most unselfish and humanitarian business in the world, and it is time to get excited about your business."

"And when we get excited about our business and put one foot in front of the other and go out to see people, they get excited about it and that still ties in with the same answer, 'It's wonderful.'"

• • •

THE PENN MUTUAL LIFE INSURANCE CO.

JOHN A. STEVENSON
President

INDEPENDENCE SQUARE, PHILADELPHIA

Directing Company Office Systems Full Time Job

Even for the smallest company, the practice of leaving office systems and methods to an executive who has more primary responsibilities is unwise and each company should assign full time responsibility to some one individual with the power to acquire an appropriate staff, R. A. Taylor, assistant comptroller of Sun Life of Canada, declared in an address before L.O.M.A. in Milwaukee.

Dividing Duties Inefficient

Mr. Taylor termed the practice of leaving each line officer or department head to devise the systems and select the equipment used in his own department is the least efficient of the ways in which methods can be handled. The line officer or department head will often not be equipped by training or by temperament for the work. He has reached his position because of his fitness to handle the particular problems that constitute his major responsibility. Secondly, he will not be in a position to observe the effect which changes he may

make in the methods of his own unit will have upon the work of other units.

Mr. Taylor cautioned against misunderstanding that he was advocating a complete disinterest of line officers, department heads and members of their staffs in systems and methods. They can be invaluable in such work and should be encouraged to participate actively in it, but the responsibility for systems planning should not be on a hit and miss basis, and should be integrated and coordinated, he said. There are many examples of how lack of centralized authority has caused headaches in the home office and in branch offices.

Systems Committees

Some companies have successfully used the committee method of handling their systems work, he said. These committees are composed of line officers, department heads or supervisors, or combinations thereof, usually reporting to an executive officer. They are usually part time committees and often temporary in character. They may pass upon proposed new systems or changes in existing systems that originate elsewhere, but which require approval before being installed, or themselves make studies and surveys with the object of developing improved methods.

Of the establishments for dealing with systems and methods work, the one which has been increasing in popularity among life insurance companies, is the planning department, he said. Today planning departments are almost universal among large and medium sized companies. A staff department devoting its full time to establishment, review and revision of company procedures and methods, and to the selection of suitable equipment for carrying out of the systems can give impetus and continuity to any management control program, he said.

Management consultants can do an excellent job of planning methods and procedures, but they should be regarded as complementary to and not as substitutes for an internal planning unit. For the regular day to day details of systems planning, the services of consultants are hardly necessary, Mr. Taylor said. Where they can be most advantageously used is where major changes in organization or procedure, or an over-all company survey is desired.

Unless a company retains someone on its staff whose responsibility it is to keep the systems and equipment abreast of the times, their original effectiveness will sooner or later be lost. A company that leaves its systems work entirely to management consultants, with no planning personnel of its own, misses the opportunities which experience in planning affords the development of future executive personnel, Mr. Taylor observed.

Production Line Office Techniques Illustrated

The production line system is just as applicable in the office as in the factory, R. H. Mangini, John Hancock planning division, told those present at the annual L.O.M.A. meeting.

Applied to office work it involves the breaking down of jobs; decentralization of equipment, including the much talked of typing pools; placing of responsibility of completing a job under one head, which in some instances will cause a reorganization of responsibility; and seating clerks so that the next step can be started without causing the clerk who has just completed an operation to leave her seat.

Principally the aim is to eliminate transportation, storage, and unproductive time which is caused by clerks waiting for work to reach them, and place many partially unproductive group leaders or supervisors in productive capacities.

If the above can be accomplished it will speed up production time and decrease costs, Mr. Mangini said. He went on to illustrate with charts and movies cases where production lines have eliminated bottleneck desks.

Company Policies Must Be Clearly Defined-Woodson

Agency activities or objectives or policies of a life insurance company cannot influence the other operations of that company as much as is desirable, unless the agency policies of the company are well known and clearly understood. It seems equally obvious that they will never be well known and clearly understood unless they are precisely and clearly defined. B. N. Woodson, executive vice-president of Commonwealth Life told L.O.M.A. members.

If all departments of a life company are to play the same tune, the tune must first be clear in the minds of the policy-making top officials of the company, so clear that the notes can be written down on paper, and read without difficulty and without possibility of misinterpretation by all who are concerned, he said.

Company Aims

"In the company which I have the honor to be a part, as in the many others, agency policy is only a portion of company policy and so our expression of agency policy begins with sufficient reference to company policy to establish the relationship and to make clear the fact that sound agency policy must be subordinate to and in support of sound company policy," Mr. Woodson said. "Our own reasoning is along these lines:

"The aim, the ultimate purpose, of management in our company is to operate a great life insurance company. We use the term in its broad sense, meaning that it is our purpose to operate a life insurance company which is not merely of substantial size, or great in that respect, but also great in other respects. We desire our company to be renowned for the high quality and low cost of its product, renowned for its fair and equitable treatment of policyholders, renowned for its financial strength and sound and conservative financial practices, and for its margin of security. We want it to be a company which is great from the standpoint of the policyholder, great from the standpoint of the agent, great from the standpoint of the employee, and great from the standpoint of the stockholders."

Objectives Not in Conflict

It would appear that these objectives are in conflict, he said. Traditionally it has been assumed that if a company is to be a truly great company from the standpoint of the buyer, it must obviously and of necessity experience low operating costs, in order that the largest possible proportion of the premium dollar may be returned ultimately to policyholders and beneficiaries. And equally it has been assumed that if a company is to be a great company for which to work, it must pay its agency force with sufficient liberality as to be somewhat notable on that account, and presumably it follows that a liberal attitude toward compensation, and particularly toward field compensation, of necessity applies a high operating expense ratio, he said.

"We believe the conflict can be resolved, if we meet four basic conditions," he said.

"We must achieve (1) high production per agent, (2) high production per branch, (3) low turnover of manpower and (4) a low lapse rate. To simplify these four conditions and to make them more easily remembered, may I point out that basically we are striving only to meet two conditions, each of which sub-divides into two parts. We believe

we can experience a high level field compensation (not necessarily a high rate) in combination with a low expense rate, if we can secure (1) a sufficiently high production (a) per agent and (b) per agency; and (2) a sufficiently low turnover (a) of manpower and (b) of business."

Find Policy Title Records Far from Standardized

The importance of policy title records and the time and effort expended in maintaining them, justifies a careful study as to whether or not they are the best and most economical forms, Harry L. Archey, Jr., statistician Fidelity Mutual, told L.O.M.A. members at the annual conference.

He reported that out of 37 companies surveyed, 10 had no title records other than in the application file. Four of these companies keep a summary sheet in the file and one an index sheet. Three other companies have a card index of title changes and two of these also use a summary sheet in the application file. The other 24 companies maintain title information on a card record, 11 on a premium history card and 13 on a policy record card. Of these 24 companies, five also have a summary sheet in the file. Application files are not used in servicing policies by 10 of the companies, which work from the card record alone except in complicated cases. Both card and file are used by 13 companies and the remaining one works from the file alone in determining title information.

Mr. Archey said that as in the case with many other types of records, it was found that the method of keeping policy title information is far from standardized and is influenced by the setup of the individual companies, the way their records have grown up and the whims of the individual companies.

Actuaries' Council Meets in Brussels Sept. 28

M. Am. Begault, chairman of the executive council of the Permanent Committee for International Congresses of Actuaries, has called a meeting of the council to be held in Brussels, Belgium, Sept. 28 to consider possible future plans. Inasmuch as none of the members in the United States can attend the meeting, representatives of the British section of the permanent committee have consented to represent the United States.

Members from this country plan to meet and elect officers at the time of the joint meeting of the Actuarial Society and American Institute in November. Membership of the U. S. section includes: H. R. Bassford, vice-president and actuary Metropolitan Life; J. B. Maclean, vice-president and actuary Mutual Life; E. W. Marshall, vice-president and actuary Provident Mutual; A. J. McAndless, president Lincoln National; E. M. McConney, president Bankers Life of Iowa; R. D. Murphy, vice-president and actuary Equitable Society; J. S. Thompson, president Mutual Benefit; M. A. Linton (secretary) president Provident Mutual.

A.L.C. Breakfast of B.M.A. Oct. 1

Business Men's Assurance is continuing this year its tradition of playing host at a breakfast during the American Life Convention meeting for officials of a number of western and middlewestern companies to meet the newly elected president of the National Assn. of Life Underwriters. Philip B. Hobbs will be introduced to the group as the new N. A. L. U. chieftain. W. T. Grant, chairman, and J. C. Higdon, president, are jointly the hosts. The breakfast will be Oct. 10.

J. T. Peterson, St. Louis manager of Guardian Life, has been named a regional chairman of the St. Louis downtown division of the Community Chest fund drive.



WITHIN THE NEXT TEN DAYS, WE SHALL BEGIN THE FIRST MAILINGS OF THE NEW "R&R CAREER COURSE IN LIFE UNDERWRITING."

THE NEW COURSE, intermediate in area, is designed (1) for the man who has completed his introductory training and who has been in production for three to six months and (2) for the established underwriter who desires to follow an organized study program.

MAY WE SAY that it would have been far easier and far more profitable to have continued the publication of our former intermediate training course—but too many things have happened in the field during the past four or five years to have allowed us to do so. Fundamentals have not changed, but methods and situations certainly have.

THE CAREER COURSE IS (1) INSTITUTIONAL AND (2) INTERMEDIATE. ADDITIONAL DETAILS WILL BE ON YOUR DESK SHORTLY.

PAUL SPEICHER
Managing Editor

THE INSURANCE
RESEARCH & REVIEW SERVICE
INDIANAPOLIS



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Shortage of Female Help Worse Than in Wartime

NEW YORK—The shortage of female personnel is more acute today among all branches of insurance companies than at any time during the war and it shows no signs of improvement. The fact that business schools are far below their normal enrollment is a disturbing omen for the future, indicating that youngsters are not being trained in anything like the numbers needed for replacements in offices.

New babies are quite a factor in the shortage, though by no means the only one. Many women whose husbands were away in the armed forces or who married on their fiancees' return from the war have left to give birth to their babies. In addition, many women left on getting married or on the return of their husbands from the armed forces.

No Scarcity of Men

The help shortage—which incidentally applies only to women, not to men—cannot be laid to lower salary scales which the insurance business, along with banks, is popularly supposed to adhere to. In years past insurance companies have not paid as much as less stable lines of work, the reason being that job security and working in a high class atmosphere offset to a considerable degree the higher pay in other business, though not at the top of the scale is no worse than average.

About \$100 a month is the minimum, even for a file clerk, in New York City. If asked to work for anything less than that figure the girls are likely to say the income tax and other deductions, the cost of lunches, carefare, perhaps commutation fares in addition, and clothes of the type needed to wear to work eat up so much of the pay check that it is not worthwhile to take a job.

File Clerks Especially Scarce

File clerks are particularly difficult to get. At the other end of the scale are operators of special machines. The girls know that they are in the driver's seat and if a machine is dirty or noisy or otherwise undesirable they are quite likely to refuse to operate it and demand to be transferred to other work.

One factor in keeping rates for new personnel high is the fact that the federal government pays \$1,440 a year for messengers. Added to the scarcity of female help is the generally lower efficiency of those who are taken on. Possibly as the result of the seller's market the urge for self-advancement and general interest in the job seem to be at a low ebb. On the other side of the fence, the more enlightened employers are trying to hold turnover to a minimum, not relying simply on paying good salaries, but in keeping the personnel happy.

Overtime Helps

Overtime work has pretty well kept a bad situation from becoming impossible but overtime is not regarded as a good influence on efficiency if there is more than a nominal amount of it. Treating the employee as an individual and showing an interest in her welfare are surprisingly effective if they are successful in smoothing out the irritations and dissatisfactions that may arise in a job. If a girl is well satisfied where she is she is not likely to quit just because she might get a dollar or so a week more somewhere else.

It has been found that the turnover can be materially improved by keeping an ear cocked for the first indications of dissatisfaction. Salary is not the only cause. It may be slow advancement, either actual or fancied; type of work, or working conditions, including the girl's immediate supervisors. A good supervisor can mean a great deal in keeping an employee satisfied.

Because of the great number of jobs available, the security of tenure that insurance work offers means little to

attractive hours that insurance offices fine typing or filing work and would probably quit shortly if nothing better were offered them.

Edward E. Waller, Oklahoma manager for Mutual Life, was host to 21 agency members for three days at a fishing party at Spavinaw Lake. Out-of-state guests included Ben H. Williams of Chicago, superintendent of agencies for the central district.

FOLLOWING FATHERS' FOOTSTEPS

While growing to manhood a son has an "inside opportunity" to learn if father is successful, highly respected and happy in his work.

Many of today's Midlanders are the sons of retired or deceased agents who pioneered for the Midland Mutual.

Vested renewals, retirement benefits and friendly relations with the Home Office have aided in "selling the sons". Thus do we continue to serve succeeding generations of policyowners and agents.

THE MIDLAND MUTUAL LIFE Insurance Company

Columbus 16, Ohio

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Industrial Men Hold Worthwhile L.O.M.A. Confab

MILWAUKEE—While Milwaukee sweltered in a surprise return of summer, the Life Office Management Assn. held its Sunday matinee preview with its industrial seminar, under the leadership of Horace T. Polk, treasurer of National Life & Accident. The meeting moved smoothly through the intricacies of agents' cash accounts, office payments, collection books, branch office auditing.

Simplification was the theme; to lighten the clerical work of the agent and to make smoother home office procedure were its objects.

The agent is a salesman, not a clerk. This idea predominated the discussion of agents' monthly and quarterly cash accounts by A. W. Anderson, assistant actuary of Lincoln Life. Advantages of this system over the standard system lie in the reduction of clerical work and the ease with which the plan may be introduced. Six of 11 companies studied are now using it. Because of the longer period covered by each report, the agent at first shows some skepticism and wor-

ries about arriving at the final balances, but he is soon sold on the plan. Evidence does not bear out the charge that agents make more errors, for those who have difficulties with cash accounts are the same ones who have trouble with standard accounts. Disadvantages in the new plan, with its longer period between reports, lie in the possibility of greater shortages and less control.

Payments made directly to home or field offices and the problem of attending to the policyholder who has moved away from his agent were covered in a joint paper by J. Everett Rowe, assistant vice-president Metropolitan, and Frank J. Beebe, supervisor Prudential. Payments made directly to the home office cause some delay because of the time taken in transit, but part of this delay is made up because of the greater use that can be made of mechanical equipment. If payments are made to a regional office rather than to the home office, delay may be encountered if home office approval is needed. In either case personal contact with the policyholder is lost. Some companies are now experiencing a large increase in direct payments because of the savings made available to the policyholder.

So that the companies may determine the best type of collection book for the agent, a comprehensive printed report with reproductions of collection book

pages was prepared by Gilbert C. Clark, associate actuary of Equitable of Washington, Joseph F. Flood, administrative assistant Metropolitan, and Mr. Polk.

Branch office auditing as practiced by Sun Life of Baltimore, a plan so comprehensive that a superman must be required for the job, was presented in a report written by William E. Wolfel, assistant secretary of that company.

A final proof that the industrial seminar serves as an ideal clearing house was the discussion of committee interim reports, short papers prepared by members upon their discovering some improvement and disseminated for the information of all.

L.O.M.A. Cost Ratio Report

The study of the subcommittee on cost ratios summarized in the report of its chairman, Richard Boissard, president of National Guardian, at the L.O.M.A. meeting in Milwaukee, emphasizes the need of a more uniform method of measuring the trend of over-all expenses. The study revealed that at least half the companies make no such measure, others use expense per thousand in force or expense per dollars of premium income, a few use Best's formula and the balance use special formulas. A belief was expressed that more companies would measure over-all expenses if some simple method were available.

The report set forth as the purpose of the subcommittee's study exploration of the possibility of working out some cost figures from data available on annual statements, that would permit cost comparisons to be made between small and medium sized companies. It was held that ability to make such comparison will be helpful to management in determining its position relative to that of companies of similar size and should indicate lower costs resulting from growth.

Several Facts Self-Evident

Several facts became self-evident from the study of company statements for 1930, 1935, 1940 and 1945 of the various companies of the committee members, Mr. Boissard reports. First conclusion was that investment expenses, generally, should decrease per thousand of invested assets with increased size of the company. It appeared that investment expenses vary per thousand of invested assets with the type of investments. It was shown that the incidence of investment expense does not always coincide with the making or disposing of investments of a particular kind. The variation and sum of the expense items between companies in the group was large due in part to the rapid change in proportion of assets invested in real estate and government bonds that occurred during the period. The committee feels that a formula which it developed will produce a standard investment expense that will make it possible for a company to compare investment expenses from year to year, as the type of assets changes.

It was pointed out that the subcommittee's life expires with this year's meeting and Mr. Boissard said if it is authorized to be continued, the committee would attempt to validate the investment expense formula, analyzing questionnaires for member companies under one billion of insurance in force, and to continue to attack the problem of insurance expenses and their separation into acquisition and renewal classifications.

Wisconsin University Course

Sponsored by the Madison (Wis.) Association of Life Underwriters and Madison C.L.U. chapter, the University of Wisconsin extension division is inaugurating a 16-week course in the fundamentals of life insurance. Charles Center, who recently joined the faculty of the school of commerce, will be the instructor. The study will cover the topics included in Part A of the C.L.U. examinations.

Higher Salaries May Save Money for a Company

A. A. Rydgren, president Continental American, declared in his address at the L.O.M.A. meeting that a higher salary scale may promote the objectives of company at lower cost than would lower scale, assuming the company gets full value in return. Chief executives of a company have no responsibility more difficult to discharge wisely than that of determining the salary and other personnel policies of their companies, he said. Wise or unwise decisions in these matters profoundly influence both the immediate and future costs of administering the home office and though economy, both immediate and ultimate, must be striven for, the economy must be tempered with good judgment.

Closely allied is the decision which rests with the chief executive as to how many hours shall be in the company work week, and whether these hours should be spread over five or six days. This decision can directly affect the expense of administering the home office. Such a determination is most particularly timely at present, Mr. Rydgren said, due to the increase in the cost of living, which has caused companies to make or consider upward adjustments in salaries.

An up-to-date report on this subject covering current practices and experiences of life companies would be invaluable in such determination, Mr. Rydgren said. He said that in the absence of reliable facts, his company has had to exercise judgment on the basis of impressions, and has come to the conclusion that a 38½ hour work week, spread over five days, is the most economical, considering all personal factors as well as work output per week. He said that Continental American's work day is 15 minutes less than that which would produce in five days a 40 hour week, the most common denominator for office workers. This was deliberately chosen in order that the company might have some leeway in temporarily increasing the work week if occasion warrants without increasing the take-home pay.

There are a wide variety of decisions constantly being made by chief executives which affect the volume and character of work done in home offices, he said. Unless these decisions are made with due regard to the cost involved, the expense of administering the home office will be higher than it should be, regardless of systems and methods which the planning department, junior executives and supervisors devise to get the work done.

"It has often been my experience that a minor change in the decision reached by the top level of company management, a change which is not important to the prime objective sought to be achieved by the decision, may cause an astonishing reduction, and sometimes even complete elimination of the expense involved in administering the decision.

Zone 4 Commissioners Meet in Chicago Oct. 8-9

Commissioner Forbes of Michigan, chairman of Zone 4, has announced that a zone meeting will be held Oct. 8 at the Edgewater Beach hotel, Chicago. Agenda for the meeting will embody suggestions from the commissioners of the eight states in the zone.

Transfer VA Officials

NASHVILLE—Fred M. Rogers, head of the service insurance regional office for Tennessee, has been transferred to Veterans Administration center at Milledgeville, Ga., as conservation officer for Tennessee, Alabama, Georgia, South Carolina and Florida. He is being placed here by M. H. Simmons, former service insurance director at Montgomery, Ala.

**The
COMMONWEALTH
Commentary**

ROUND FIGURES ROLL SMOOTHLY

Now that the public has been exposed to the department-store technique for so long that "\$2.98" now means \$3 to the average citizen, why not cash in on its reverse application?

It is our custom in the life insurance business to say that at age 30 the rate for \$5,000 of Whole Life is, say, \$96.75—and it is NOT our custom to say that age 30 \$100 in annual premium will purchase \$5,168 of the same policy form.

Yet think how seldom you would encounter a refusal if you would say to every 30-year-old applicant for \$5,000 of Whole Life: "Since this \$5,000 comes to \$96.75, you no doubt would rather make it an even hundred dollars, and increase the face amount and all other values in proportion, wouldn't you, Mr. Prospect?"

The "odd-amount" device can be one of the most helpful ideas in your life insurance career. If the prospect declines to act on your suggestion you have lost nothing. If he acts upon it favorably, as you may expect him to in something more than half of all your attempts, you will increase your production 5% to 10% on this plan alone.

Insurance in Force, August 31, 1946—\$295,419,885

COMMONWEALTH
LIFE INSURANCE COMPANY
LOUISVILLE • MORTON BOYD, President

September 27, 1946

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That NSLI Policy

C. A. Zoller, Jr., director of the underwriting service for veterans administration, has cleared up some points regarding National Service Life Insurance:

May an NSLI policy be split into two or more policies?

The policy may be divided into two or more policies provided the amount of each policy is a multiple of \$500 but not less than \$1,000. However, it is not necessary to have a policy reissued in separate contracts for the purpose of having a certain amount paid under one optional plan of settlement and the balance under another; or for the purpose of having proceeds payable to different beneficiaries. For example, in case the insured holds one \$10,000 policy he may select any of the four optional settlements available or a combination thereof. Likewise, he may provide for payment of the proceeds to one or more co-principal beneficiaries.

May part of a policy be converted and the balance continued as term insurance?

It is permissible for a policyholder to convert a portion of his term insurance and continue the balance on the term plan until he desires to convert an additional amount during the term insurance period. The premium rate on each permanent policy will be based on the age of the insured on his birthday nearest its effective date. With each application for conversion, the premium should be tendered on the amount and plan of insurance converted, and the timely payment of premiums at the term insurance rate should be continued on the unconverted balance.

How may furlough bonds be used in the conversion of NSLI? What restrictions are placed on the policy so that an insured does not turn right around and surrender the insurance?

In reference to the question relative to the payment of premium with bonds issued under the armed forces leave act of 1946, you are informed that public law 704, 79th Congress, relating to section 6(d) (1) of the act provides:

"Pursuant to regulations prescribed by him, the administrator of veterans' affairs is authorized and directed to accept an assignment of a bond issued to the insured under this section, the proceeds of which shall be used in payment of premiums or in payment of the difference in reserve in case of conversion to insurance on another plan or in payment of a policy loan made prior to July 31, 1946, on a United States Government Life Insurance policy or a National Service Life Insurance policy; provided, that such assignment may not be used by the insured directly or indirectly as a means of securing in cash the proceeds of such bond or any portion thereof prior to the date of its maturity or the maturity of such policy by death, whichever is the earlier, and such assignment shall be deemed to constitute an agreement by the insured to this effect."

The law prohibits the assignment of bonds as premium payments on Government Life Insurance or NSLI when such assignment is made as a means of indirectly securing the cash proceeds of the bonds prior to their maturity or the maturity of the insurance policy by death.

Revise Retirement Plans Study Because of Trend

A trend among American educational institutions to expand retirement annuities for their personnel has led Teachers Insurance & Annuity to revise its study of college retirement plans, R. McAllister Lloyd, president, announces.

Approximately 1,000 colleges and universities are being polled to secure data on the number, types, and effectiveness of the retirement plans now in operation. The survey is expected to reveal, for the first time, group coverage provided for college personnel. The

findings will be incorporated in the association's revised edition of "College Plans for Retirement Income," published by Columbia University Press.

Princeton University currently leads the trend increasing "10% of salary" contributions to annuity plans. On July 1, Princeton, in cooperation with the Teachers Insurance & Annuity revised its academic staff retirement plan on the basis of premiums of 10 to 20% of salary, according to age, with Princeton sharing premium payments equally.

Other universities and colleges which in the past three years have increased to more than 10% of salary the total contributions for their retirement plans

with the association, are: Columbia, Colgate, Elmira, Rochester Institute of Technology, Syracuse, Bradford Junior College, Williams, University of Pittsburgh, Carnegie Institution of Washington, D. C., Washington and Lee University, Bennett College, University of Michigan, Oberlin, Wittenberg, Colorado College, Reed College, Hamline University, Victoria University, Toronto, London, Windsor, Peterborough, Kingston and Ottawa.

The tour will be terminated in Montreal Oct. 14-15, and will include Sudbury, Kirkland Lake, North Bay, Toronto, London, Windsor, Peterborough, Kingston and Ottawa.

Last year Mr. See made a similar trip in western Canada.

Social Security in a "nut shell" plus the gadget appeal. That's the *Social Security Pocket Slide*. Ask THE NATIONAL UNDERWRITER.

See on Second Canadian Tour

Frank M. See, St. Louis general agent of New England Mutual Life, has started a new tour of Canadian associa-



- ¶ They certainly did have fun... 650 Franklinites and wives at three great agency conventions. One was in Atlantic City, another at Estes Park in Colorado, and the third at a beautiful resort near San Francisco.
- ¶ They were play conventions, not the kind that are packed full of endless speeches, laudatory orations on company officials, and tiresome tirades on "How I did it."
- ¶ Franklin Life conventions are vacation awards for production performance. So our conventioners fished, rode horseback, climbed mountains, dived through the surf, went sightseeing, or just sat and talked.
- ¶ Perhaps that is why every single one of the 650 said with fervent enthusiasm, "We never had a better time in our lives. You can count on us being at the next one. It's swell to be a member of the friendly Franklin organization."
- ¶ It is, too. Try asking one.



The Friendly FRANKLIN LIFE INSURANCE COMPANY

CHAS. E. BECKER, PRESIDENT SPRINGFIELD, ILLINOIS

DISTINGUISHED SERVICE SINCE 1884

One of the 15 Oldest Stock Legal Reserve Life Companies in America

Over \$400,000,000.00 Insurance in Force.

Committees Set Up to Aid Medical Care Cooperation

A new conception of the problems on both sides, with a brighter prospect for cooperative effort than ever before, resulted from the conference in Chicago between officials of the American Medical Assn. and representatives of insurance groups of all classes, including non-profit organizations, for the promotion of voluntary pre-payment plan for medical care.

The program projected calls for:

1. Joint action in the development and promotion of voluntary insurance and prepayment plans.
2. Joint study of unit fee schedules, indemnity and service contracts, and claims and operational problems.

Two Groups in Agreement

Dr. E. J. McCormick of Toledo, chairman of the council on medical service of the A.M.A. in summarizing the results of the conference stated that both groups are in agreement that the objective can be achieved most effectively and economically through the development of voluntary prepayment and

insurance plans to cover the expense of medical and hospital care, and the development of such plans and the making of them available to the American people can be facilitated greatly by joint study of the problems involved and joint action in their solution.

The insurance committee of the council and medical service appointed some time ago to meet with the insurance and Blue Cross representatives included E. D. McCormick, George F. Lull, Chicago, secretary and general manager; Roscoe Sensenich, South Bend; chairman board of trustees, Jay C. Ketchum, director prepayment division, and Thomas A. Hendricks, Chicago.

Two Sub-Committees Set Up

The conference created two sub-committees, a committee on cooperation and a committee on rural enrollment. The purpose of the first sub-committee is to further the close cooperation among all voluntary facilities for rendering health protection and the second sub-committee to study the best means of affording protection offered by the combined voluntary facilities to those in rural areas.

The A.M.A. members of the sub-committee on cooperation are: A. W. Adson, Rochester, Minn., a member of the council on medical service, chairman; James R. Miller, Hartford, a trustee of A.M.A.

(CONTINUED ON PAGE 23)

United Benefit Fire of Omaha Is Incorporated

United Benefit Fire of Omaha, which is to be a running mate to Mutual Benefit H. & A. and United Benefit Life, has been incorporated in Nebraska with a capital of \$500,000.

Incorporators are C. C. Criss, president of Mutual Benefit H. & A. and United Benefit Life; Miles Scheaffer, secretary United Benefit Life; N. L. Criss, vice-president Mutual Benefit and treasurer United Benefit; V. J. Skutt, general counsel United Benefit; E. S. Adams, vice-president of both companies; F. S. Finch, vice-president United Benefit; George J. Cleary, vice-president Mutual Benefit H. & A.; G. E. Davis and R. J. Kaiser.

Physicians Group Takes 196 Page Blast at WMD Bill

The National Physicians Committee for the Extension of Medical Service, for the purpose of providing evidence of the motives and methods of the sponsors of the proposed compulsory sickness

insurance legislation, has published 196-page book entitled "Compulsion—the Key to Collectivism." It is being mailed to newspapers, physicians and dentists.

According to the release the book contains "an astounding exposé of the efforts of a small clique of leftist-minded government officials and professional do-gooders to foist upon the American people a tax-supported system of federally-dominated medical, dental and hospital care."

"The study reveals an amazing chain of circumstances in support of the contention that deliberate attempt was made to manipulate the recently-ended public hearings of the education and labor committee of the Senate on S. 1606 so that the Congressional inquiry might be utilized to create an erroneous impression of public support for the Wagner-Murray-Dingell bills."

Hit Compulsory Feature

"If the Wagner-Murray-Dingell proposals were enacted into law they would introduce a compulsory tax to pay for a compulsory service—medical, dental and nursing care—directly affecting the most vital and most sacred functions of each individual citizen . . ."

Witnesses permitted to testify at the hearings were selected by a carefully chosen "screening committee," friendly to the proposed legislation, the book states, with the result that the final record showed an average of two witnesses appearing in support of the compulsory health provisions for every one permitted to appear in opposition—this despite urgent requests from hundreds of practicing physicians for an opportunity to testify against the measure.

The book asserts that the bills are not of American conception, but are patterned after a model formulated by the International Labor Organization, established in 1919 at Basel, Switzerland as a function of the League of Nations. Testimony elicited the information that a major portion of the bill was written by Isadore Falk, United States delegate to the I.L.O. and director of research and statistics for the social security board.

Claim Robot Witnesses

Pages of testimony are printed to show that some of the witnesses had not even read the bill, that others were unfamiliar with the provisions of the measure and even with the prepared statements they were reading into the record. On the other hand, men prominent in the medical and dental professions and others outstanding in religious and business circles presented documented testimony in support of the contention that compulsory, tax-supported sickness insurance not only was not necessary, but that if such a basis of centralized control were once established the collectivists would almost certainly take over every other area of human activity and endeavor.

Mutual Assistant Managers

Mutual Life has named three assistant managers. The are Russell Congrove, of the Davenport agency who will be located in Hamilton, Ill.; Richard L. Sherrick, Memphis, and Charles A. Wagner of Pueblo, who will be located in Albuquerque.

Trail Blazers

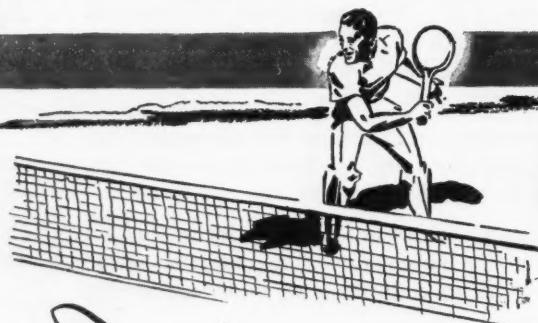
Massachusetts Savings Bank Life was the first of the savings bank plans (1907).

Penn Mutual is the oldest life insurance company south of New York. It was chartered Feb. 24, 1847, and began business May 23, 1847.

When Northwestern Mutual entered Massachusetts in 1862 it became the first "western" life company to transact business in that state.

New York Life was the first to operate on the branch office system.

Take a Sales Tip FROM THE TENNIS CHAMP



The "king of the courts" knows it takes more than one good shot to reach the top. His "serve" must be hard and fast—his "smash" accurate—his "drive" perfection. Mastery of every stroke—every situation—is needed for tournament victory.

So, take a sales tip from the tennis champ. For top notch production and earnings, you'll play a winning game with complete personal protection in your sales kit. Be prepared to take advantage of every sales opportunity. Multiple lines will score for you.

GENERAL AMERICAN LIFE INSURANCE COMPANY
WALTER W. HEAD, PRESIDENT
SAINT LOUIS



LIFE AND ENDOWMENTS

Annual—Single Premium

SALARY SAVINGS

ANNUITIES

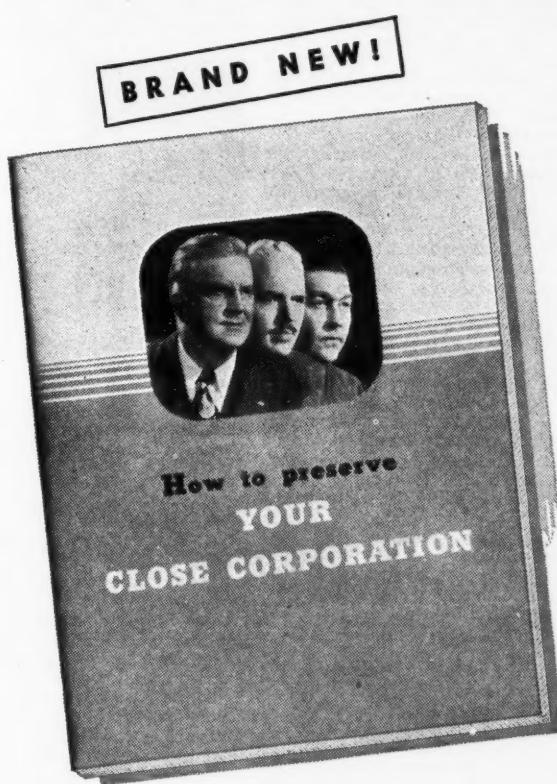
Annual—Single Premium
Immediate & Deferred

PENSION TRUSTS

GROUP

Comprehensive Coverage

COMM. ACCIDENT & HEALTH
Hospitalization



Actual Size 8 1/2 x 11

Announcing!

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*The "3rd" in the Phenomenally
Successful Series of Illustrated
Soliciting Brochures to Help
You Sell Business Insurance*

by

H. P. GRAVENGAARD

OVER 100,000 GRAVENGAARD BUSINESS INSURANCE TEXT BOOKS AND SOLICITING BROCHURES ALREADY SOLD

Leading Companies and Agencies Everywhere Now Use The Gravengaard
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THIS NEW BROCHURE ENTHUSIASTICALLY ACCLAIMED BY ALL WHO'VE SEEN IT!

NEW AND STRIKING PICTURES ILLUSTRATE EACH ESSENTIAL POINT

*Comment by Leading Producer: "It's The Best And Most Effective
Close Corporation Insurance Sales Aid I've Ever Seen."*

**Its
Uses:**

- 1. A powerful help for a sales interview.
- 2. A pre-approach mailing piece.
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- 4. A ready-reference section for your sales kit.
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- 6. An attractive, prestige-building gift to Trust Officers, Attorneys and Accountants.
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COMBINE YOUR ORDERS FOR THESE 3 SALES-MAKERS

1 copy	\$1.00	10 copies, each.....	\$0.75	50 copies, each.....	\$0.65	500 copies, each.....	\$0.55
5 copies, each.....	.80	25 copies, each.....	.70	100 copies, each.....	.60	1000 copies, each.....	.50

THE DIAMOND LIFE BULLETINS

*A National Underwriter Publication
420 EAST FOURTH ST. • CINCINNATI 2, OHIO*

Survey Cost Control Features

MILWAUKEE — The results of a questionnaire sent out by the costs committee of L.O.M.A. to determine company practices in cost control were reviewed by J. D. Milne, assistant secretary Canada Life, at the cost committee session.

Answers were received from 76 companies, 31 having \$500 million and over

in force; 26 with \$100 million to \$500 million, and 19 with under \$100 million.

The questionnaire shows that cost control activities of the companies vary greatly. Twenty-eight companies make departmental analyses of expenses, which are used as a stimulation to staff expense consciousness, to help determine personnel requirements, to determine operating efficiency, and as an aid to the department head as a measuring rod to judge his work.

Functional expense measurements are used by 11 companies and have been

found to help make the breakdown by line of business in the annual statement, to determine first year, renewal and investment expenses, to determine the amount of initial investment in new business and the offsetting gain from renewal business, to determine dividend formulas, and to determine gross and net yields by class of investments, and to obtain trends of yields and forecast future earning possibilities by type of investment.

In answer to the question "What method do you use for measuring the trend in your over-all expense experience from year to year," 38 companies said they did not use any measure. Expense per million of insurance in force is used by 12 companies, five express expenses as a percentage of premium income, five use Best's formula and 16 others use special methods and two have developed their own system.

About one-third of the companies use a company expense budget. Most of these fall in two groups, (a) those where budgeted amounts are for classes of expense, such as salaries, advertising, furniture, etc., for the whole company, and (b) budgets set up by a department, sometimes restricted to those expenses considered controllable by department heads.

In salary administration, 38 companies use some sort of job evaluation plan and 41 have no plan in use. Of the 41, 13 plan to adopt one shortly.

Training within industry programs are used by 26 companies while 50 have no formal program. Those using the training program generally state that it has proved of assistance.

Aptitude Tests Useful

On the question "Do you use any of the clerical selection and aptitude tests developed by the L.O.M.A. test committee?" 43 companies report using one or more, the remainder, none. Those using the aptitude test unanimously declare that they are of value in controlling expenses through improvement in selection and job placement.

Other methods of controlling expenses were brought out by the question "What other methods do you use which assist, either directly or indirectly, in controlling operating expense?"

One company uses individual wage incentives, method studies by members of the personnel department, and meetings at which problems are discussed.

Another publishes for most department sections, graphs and tables which show volume of work, rate of production, number of clerks, etc. The graph shows the number of clerks believed necessary to handle current volume and based on current conditions instead of a fixed date period as is a budget.

Another has monthly departmental charts to show relationship between amount of clerical time available and amount of work accomplished. That company also has an orientation program for new employees to get them into production faster, and it also has a system of controlling use of furniture and machines which involves a pool of equipment to be drawn upon.

Research Fund Grants Extended to 11 Doctors, Three Universities

Eleven additional fellowships and three more grants-in-aid to medical institutions for research in diseases of the heart and of the arteries have been announced by the Life Insurance Medical Research Fund. The additional awards bring this year's allocation of research funds to nearly \$700,000.

Grants in aid were awarded to Carnegie Institute, Washington, D. C., McGill University, and New York University.

The fellowship awards bring the total number given by the fund in the first year of its operation to 20, representing \$55,800. Funds for grants-in-aid amount to \$633,591, for a total of 55 research projects.

F. G. Dickinson to Medical Assn. Post

F. G. Dickinson, on leave from University of Illinois, has joined American Medical Assn., Chicago as economist and director of the bureau of economic research. He is well known in the insurance realm as he was associate professor of economics at University of Illinois in charge of insurance courses. In 1944-45 he was president of American Assn. of University Teachers of Insurance. He graduated at University of Illinois in 1921 and has been teaching there ever since except when he was obtaining his master's and doctor's degrees at Pennsylvania College.

F. G. Dickinson



Swedish Executive Gives Glimpse of Operations There

Seventy-five per cent of all life insurance in Sweden is sold by part-time agents, Yngve Lunden, vice-president and manager of Thule Life of Stockholm, Sweden, said at a meeting at Hartford last week. He explained that full-time agents in Sweden work on a salary basis, while it is common practice for professional and semiprofessional people to sell insurance on a part-time basis at a commission rate.

Thule is the largest life company in Sweden. Mr. Lunden, Carl-Otto Segerdahl, vice-president and chief actuary, and Daniel Jonsson, agency secretary, flew here to study agency supervision, recruiting methods and kinds of group insurance. They are visiting a number of home offices.

Dr. Segerdahl said that in Sweden the insurance industry is a political issue, due chiefly to the fact that the party in power is a labor party, one wing of which is in favor of nationalizing insurance. Several committees have been appointed to investigate the problem, and although they have advised against government control, new committees continue to be elected, and the issue still hangs fire.

Swedish life companies write the equivalent of \$257 million of new life business annually. Their insurance in force is about \$3 billion, representing a per capita holding of \$428 as compared to a \$1,047 per capita figure in the United States. Rates are about the same as in this country and the ratio of new business to insurance in force is equivalent to that of United States companies, approximately 10%.

During the war practically no new life insurance was written in Sweden as the average male citizen was serving in the army. Renewal business was in most cases carried on by the wives of agents who had gone into service.

Still Active at 90

Webb N. Gould, Aurora representative of the Chicago agency of Union Central Life, celebrated his 90th birthday Sept. 26. The oldest Union Central agent in years of service, Mr. Gould signed his first contract with the Polo Ill., agency in 1885, later transferring to the Chicago office.

Mr. Gould, at 90, is still writing new life insurance business, but is most active in the servicing of his clients' programs. He has hundreds of policyholders in Aurora and its vicinity among whom are grandchildren and even great-grandchildren of his first clients. He was born on a farm in Kane county, Ill. An accident ended his farming career, when he was 28, and he entered life insurance at that time.

"THE FRIENDLY COMPANY OF DISTINCTION"

The Ohio National has become widely known as "The Friendly Company of Distinction". We are particularly proud because the title was not self-selected. It was bestowed upon us. Possibly the following examples are among the reasons:

1. Our Policyholders Service Department is a real endeavor toward better understanding between the layman and his insurance company. Whether it be a question of minute detail or the summation of a policy, each request is given careful thought and prompt attention. In this manner a stronger chain is forged between the Home Office, the Field Force, and policyholders.
2. Facilities of every type help each underwriter to produce a greater volume of sound business. Direct mail, forms and charts that graphically portray the need for insurance, worthwhile incentive contests, and many other aids are at the disposal of all. Sound, but flexible plans that appeal are also a part of these facilities.

We lay no claim to fame that we are offering services vastly different from other companies, but we do believe we are building good will and a sturdy foundation for future business.

THE OHIO NATIONAL LIFE INSURANCE COMPANY

T. W. Appleby, Pres.

Cincinnati, Ohio



**THE OHIO NATIONAL
LIFE INSURANCE COMPANY**

CINCINNATI, OHIO

1907 Thirty-Ninth Year 1946

**ORDINARY LIFE
INDUSTRIAL LIFE
INDUSTRIAL HEALTH AND ACCIDENT
CREDIT LIFE
MORTGAGE CANCELLATION**

**INSURANCE
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September 27, 1946

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Traveling Auditor's Value Told

MILWAUKEE—William E. Wolfel, assistant secretary of Sun Life of Baltimore, wrote a paper that was read in his absence at the L. O. M. A. meeting here, on branch office auditing that consisted of a detailed account of the procedure. The examination, in addition to comprehending the financial audit, goes into personnel ratings and relationships, office conditions, maintenance of company's practices and systems, service complaints, labor saving installations and educational programs. The visitations to the districts are unannounced, on the theory that the surprise visit doesn't permit the clearing of items that have been pending and which should have been settled or the cover-up answering of correspondence on which replies have been unduly delayed.

Mr. Wolfel disclosed the safeguards Sun Life maintains to prevent misappropriation of ordinary premiums. These safeguards are used in lieu of elaborate methods of checking of unpaid ordinary premiums.

The auditor's rating of employees and the manager's rating comprise the basis for salary increases.

The auditor checks up on complaints from policyholders as to branch office service but he also solicits the branch manager to reveal errors and delays in home office service.

It is important to select as traveling auditor a man who values but doesn't overvalue the worth of details, and who has perspective. He should inspire confidence and have the intelligence to ferret out defects. He should be furnished with an outline covering the subjects to be audited, but he should possess initiative to explore beyond the guideposts.

"Every company," he said, "is conscious of the need of expressing through its district operations those principles and those qualities which motivate the management. The agency division plays a large part in this respect. Your administrative division should play no smaller part. Both divisions should pull equally upon the traces. In the administrative division, branch office auditing has a big role to play, for the good and welfare of your company and your policyholders. This is the real explanation of the function of branch office auditing."

Lenders Charge for Cover But Don't Deliver

KANSAS CITY—The Better Business Bureau here reports that since July 1, 1946, certain lenders allegedly have been making loans at 8% simple interest and at the same time requiring borrowers to purchase, through the lender, insurance as a condition to getting the loan. Borrowers have complained they receive no policies or certificate to show they have purchased insurance.

Two examples are cited. A laborer employed by a roofing company borrowed \$208 giving a mortgage on his household furniture. He was informed he would be required to purchase life insurance costing \$2.70 and accident and health insurance costing \$47.25. The loan was paid off in three days—at a cost of \$61.85, but the borrower has received no refund of unearned interest nor the policy for which he paid in full.

A chef at a Kansas City hotel borrowed \$50, giving a mortgage on household goods. He protested the charge of \$21.61 on the \$50 loan, but was informed that insurance was included in the charge. He has received no policy, certificate, or premium receipt.

L.O.M.A. Study Shows \$1.50 Cost of Issuing a Policy

It costs a dollar and a half to issue a life insurance policy, H. R. Lawson, John Hancock actuary and chairman of the committee on policy issuing costs reported at the L. O. M. A. meeting. This simple statement does not tell

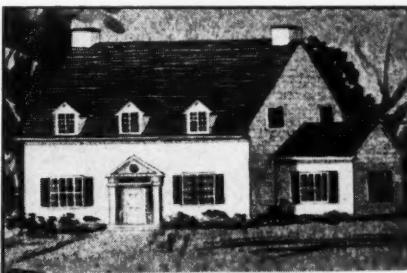
the whole story, he said. For one thing it includes direct expenses only and not overhead. For another thing, the cost varies greatly between companies, ranging from about a dollar to over two dollars. The figure mentioned is the average during a recent two-week period for a group of seven New England companies.

Of this amount, \$1.55 to be exact, \$1.21 was paid out in clerical salaries and the balance went for materials and equipment. How much goes for each operation was also determined; for example, preparing the data sheet costs 50 cents, typing the policy costs 42 cents, checking the policy costs 17 cents. Here, again, the figures of the individual companies participating in the study differ from each other and no one company has either the lowest or the highest cost for all of the operations involved.

It takes somewhat less than an hour and a half to issue one policy. In a 36 hour week one clerk could theoretically issue 24 policies.

Dodge New Progressive Actuary

Frank F. Dodge has been appointed actuary for Progressive Life at Red Bank, N. J. Mr. Dodge was formerly assistant actuary for United Life & Accident.



Need True Death Claim Cost Study

Reporting for the sub-committee on regular ordinary death claim cost comparison, J. McCall Hughes, comptroller of Mutual Life, told the L.O.M.A. convention at Milwaukee that during the year his committee reached the conclusion that through cooperative company action, comparable cost data can be developed and that the value of such data will be greater in proportion to the care exercised in selecting the companies to be studied.

The sub-committee recommends that death claim and other functional cost analyses be continued, but that future studies cover comparable groups of companies.

The committee studied six companies, including large multiple line companies as well as medium sized and small companies. The report compared the death claim cost between companies in four major expense classes, namely, salary, travel, legal expense and investigation expense. The limitations imposed by wide variations of size, procedures and method of accounting for expenses made it impossible to obtain any true comparisons.

A study of examination and verification of claims revealed that the number of these examinations reported by the company varied from one or two up to five or six. No special correlation could be found between this and unit salary costs.

Women were reported used in some cases for first examinations by four of the six companies reporting. The two companies which used men entirely have lower or equivalent unit cost. All companies were consistent in type of cases investigated and larger companies leaned toward use of their own staff for this purpose, he said. All companies agreed to the necessity for paying claims properly to the proper payee for the correct amount and with due regard to the rights of policyholders. It is general practice to pay the death claim, if possible, on the same day proofs are received, the report stated.

A definite tendency toward a centralized death claim organization to handle the whole job from start to finish was reported. Four of the companies already had such a setup and the fifth was in the process of reorganization to accomplish it and the other had gone at least part of the way. Two of the larger companies had established centralized claims organizations in separate departments, headed by senior officers.



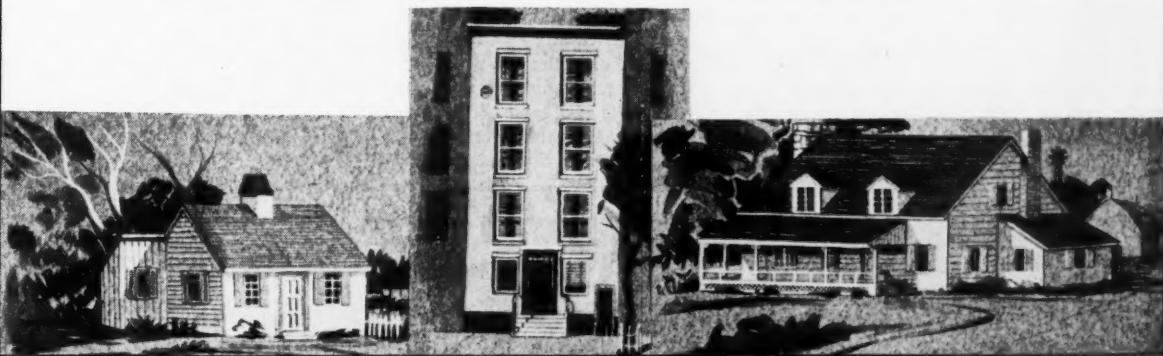
HOMES!

It doesn't matter what state, . . . or whether the house is in a valley, high on a hill, on a farm or in a city, town or village — The Prudential may well have special meaning in the place that is called "home."

For more property and home-owners in this country have been helped through Prudential mortgage loans than through those of any other company.

To more than 23,000,000 Prudential policyholders, this is particularly important. It is one of the many factors which explain why the roots of this company are down so deep into the life of all America.

It is a symbol of soundness . . . another contributing reason why so many people look first to Prudential representatives for home and family protection.



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A MUTUAL LIFE INSURANCE COMPANY



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EDITORIAL COMMENT

Throw Out Epistolary Junk

Salutations and closings in correspondence have become so formalized as to be meaningless and might well be eliminated, according to a speaker at the recent office management conference of the American Management Assn. To anyone who has pondered over the problem of selecting a closing phrase which will precisely express the desired degree of friendliness without seeming to jump right into the recipient's lap, this elimination of surplus verbiage would come as a welcome innovation.

It should also be welcome to those eschewers of the banal who grow old before their time trying to ring changes on the standard closings. They come up with such variants as "very sincerely," or "most sincerely." The first of these sounds as if the writer is striving too desperately to profess his sincerity while the latter has a revoltingly prissy sound. Many people do not like even such mild innovations as "cordially yours" and never use it except in retaliation.

Salutations are less troublesome but could well be omitted. The universally used "dear" means nothing whatever—at least in business letters.

New Business Rolls In

All life companies are increasing their business materially, many spectacularly. Some find it very difficult to handle the business that is coming through. Many head offices are put to it to give satisfactory and speedy service. Almost all departments are clogged. Many more employees have been engaged and it is found in some companies that their working space which has been adequate in days gone by has to be enlarged. A few companies that built home offices were sure that they were providing ample space for many, many years and now find they are cramped. Up and down the line the physical attention to applications coming in and the sending out of policies is far more arduous than it has been. Agents complain of service, but nothing can be remedied with the present increase in business. Agencies themselves find that they cannot give the service that they once did.

What is the attitude, therefore, of agency managers in taking on new men? Most of them declare that they are not changing their policy. New men can be readily gotten now and they can make money from the start. Even a hastily trained man with ordinary ability can be given a rate book and he can

Like many other improvements the abolition of salutations and closings will probably be a slow process but that should not discourage the effort. At first, to guard against the danger that the recipient of a letter might think the writer was mad at him it would probably be necessary to have the letterhead state, in small type, "The time saved in eliminating useless words is passed along to you in the form of speedier service," or some similar explanation.

It is probably worth some effort to curb the tendency toward fancy and formalized letter-endings or we may end up like the Spanish. A Spaniard thinks nothing of winding up a letter by telling his correspondent that he is their servant and kisses their hands. He also shows it means nothing by abbreviating the expression to mere initials, but he clings to these outmoded expressions just the same.

Any improvement, however, will probably take many years, for nobody wants to be the first to appear less true, sincere, cordial or respectful than the next fellow, even if needless words and outmoded styles are passé.

they have increased their business materially and that their profits have increased.

Just what effect this abnormal situation in life insurance will have on producers in the future remains to be seen. Many are likely to be spoiled by the ease of getting business at present. Agents who had hard luck and became discouraged are now running

with the wind and making good money. They have been able to increase their standard of living and have been buoyed by their success and have developed into very excellent life insurance men. It is hoped that such men have now strengthened themselves so that they will carry over and be able to meet the rainy days when they come, whenever they come.

Sticking to the American Plan

In these turbulent and uncertain days, that seem to be infatuated with some foreign procedure and urge its adoption in this country. There are flamboyant pamphleteers and feverish doctrinaires who want communistic ideologies injected into our government and way of living. These people that are haranguing the public are impractical. They are often zealous and fanatical reformers. They are advocating a cause that is not adapted to this country. They betray an alien pace. Let other countries have the government they desire. That is their privilege. We want our own system, our own form of government, our own constitution and we should live peaceably with other nations that have a different plan. We can be friends, we can trade together, but we don't want our plan of government mixed. Let us not be shaken in our attachment to what we have by agitators whose fortune lies in bringing about disorganization of our procedures and relationships.

If one had the time, he could well spend part of it in studying other forms of government. After this research and reading, he would be prouder than ever of his own country and what it stands for.

Today it is highly important for all true Americans who believe in our form of government, its constitution and bill of rights to stand firmly together. There are to be found here and there groups

PERSONAL SIDE OF THE BUSINESS

G. A. L'Estrange, vice-president and agency director of Wisconsin National Life, has been elected president of the newly formed Northeast Wisconsin Marquette University Alumni Association.

Thomas Cudmore, regional group supervisor for Massachusetts Mutual Life, spent several days in Oklahoma City, guest of the J. Hawley Wilson general agency for western Oklahoma.

O. J. Arnold, president of Northwestern National Life, was honored at a dinner given by the Variety Club of the Northwest on the campus of University of Minnesota. The occasion was presentation to the university by the Variety Club of \$250,000 for erection of a heart hospital. Mr. Arnold was honored because he has served as trustee of the fund. The club is made up of owners of theaters throughout the northwest. Fred Allen, radio entertainer, and his wife, Portland Hoffa, took part in the entertainment.

Miss Sara Frances Jones, well known woman agent of Equitable Society at Chicago, who has been away from her office for many months due to a serious illness and operation, has returned to the city and is living at the Hotel Pearson there. She went to Florida some time ago to try and regain her health. Sara Frances, as she was familiarly

known to all, had a remarkable career. She was secretary to Vice-president Gage E. Tarbell, who was head of the agency department. She became well acquainted with the company's selling methods and arguments. She talked the rate book and it was soon found she was a successful saleswoman.

The Chicago office had installed a women's department, but it was moving quite slowly. Mr. Tarbell sent her to that city to bolster the women's work. Later she gave all her time to personal production. She had many prominent clients. She was well informed on life insurance and able to give the best advice in formulating a person's program. She was successful financially, and fortunately she invested her money in annuities only so she had a very substantial income. This has proved especially satisfactory to her since she has been unable to continue her work.

George J. Cannon, executive vice-president of Beneficial Life, was named chairman of the insurance committee of the Salt Lake City Chamber of Commerce, succeeding Carson E. Betchtel, manager of Mutual Life.

P. B. Hobbs, president of the National Assn. of Life Underwriters, has returned from a trip to headquarters in New York City where he conferred on the appointment of N.A.L.U. committees. On the way back he addressed a

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BOSTON 10, MASS.—80 Boylston St.—Room 1227, Tel. Hubbard 8696. William A. Scanlon, Vice-President.
CHICAGO 4, ILL.—175 W. Jackson Blvd., Tel. Wabash 2704. O. E. Schwartz, Associate Manager. L. N. Yellowlees, Advertising Manager.
CINCINNATI 2, OHIO—420 E. Fourth St.

Resident Manager.

KANSAS CITY 6, MO.—605 Columbia Bank Bldg., Tel. Victor 9157. William J. Gessing, Resident Manager.

DALLAS 1, TEXAS—802 Wilson Bldg., Tel. Central 5833. Fred B. Humphrey, Southwest Manager.

DES MOINES 12, IOWA—3333 Grand Ave., Tel. 7-4677. R. J. Chapman, Resident Manager.

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SAN FRANCISCO 4, CAL.—507-8-9 Flatiron Bldg., Tel. EXbrook 3054. F. W. Bland, Pacific Coast Manager. Guy C. Macdonald, Pacific Coast Editor.

uncheon meeting of the Pittsburgh association. He hopes to be able to spend time at his duties as Equitable Society manager and then will attend the meeting of the American Life Convention, at which he is scheduled to speak.

Penn Mutual tendered a dinner to Bissell A. Bradley, recently appointed general agent at Wausau, Wis., which was attended by about 25 associates and guests. Henry Bauer, Jr., and Thomas Hoag of the home office agency department represented the company. Out of town guests included Warren Coe, general agent at Oshkosh, Wis., with whom Mr. Bradley was associated since 1938; George Holgate, associate general agent at Eau Claire; Carl Grouleff, Wisconsin Rapids, and Donald Walter, Stevens Point.

DEATHS

Byron Howes of Berkshire in Chicago Dies

Byron C. Howes of Chicago, Illinois general agent of Berkshire Life for the last 14 years, died at his home in Highland Park, Ill. He had been in the life insurance business for 36 years and was one of the best liked life men in the city.

Mr. Howes was chairman last year of the Life Agency Managers of Chicago and was past president of the Chicago Assn. of Life Underwriters and also of the General Agents Assn. of Berkshire Life.

He was born in St. Paul 58 years ago, educated in Denver and was a graduate of Univ. of Chicago. He joined Union Mutual Life after graduation when Hervey S. Dale was Chicago manager, first as clerk then being appointed assistant cashier when he showed an aptitude at meeting people. Later he became cashier and when Mr. Dale died in 1914 was appointed manager. This position he held until 1922 when he went with Paul H. Davis Co., investment security house of Chicago, as a salesman. After two years he became general insurance broker, specializing, however, in life insurance and retained this capacity until 1931. He joined Berkshire in 1932 as general agent and had held that post continuously since.

Mr. Howes' son Byron, Jr., was killed in action as a navigator on a B-25 bomber in the E.T.O.

Services were held in Highland Park Friday attended by many of Mr. Howes' old comrades among the Chicago life men.

L. B. Hendershot, director of agency service and field promotion at the home office, was in Chicago this week and represented the home office at the funeral services. James D. King is field supervisor, having charge of 10 mid-western states with office in the Chicago agency quarters. Until a successor to Mr. Howes can be selected, the agency will be under direction of home office men.

Jerry W. Dickinson, general agent at Rock Rapids, Ia., for National Fidelity Life, died at his home there. He had represented National Fidelity 27 years. He had completed more than 10 years of consistent weekly production. His death occurred on the effective date of his retirement as an active general agent.

His son, Arnold W. Dickinson, who has been associated with his father for 10 years, will now assume active management of the agency.

James F. Maloney, president of the Reliance agency of Chicago, general agent of Reliance Mutual Life, died of coronary thrombosis at age 47. He was an agent of New York Life, then of Minnesota Mutual, and had been in insurance as agent and broker for about 10 years until forming the agency two years ago.

The agency is a partnership, with R. J. Hannah as vice-president and T. P. Bannon, secretary-treasurer. They were brokers with Mr. Maloney for five

years, and are continuing the agency, which also does a general insurance business.

Paul O. Curtis, 53, sole Boston general agent of New England Mutual Life, died Tuesday. He graduated from Brown University 1915, immediately entered the general agency of his father, Albert H. Curtis. He became a partner in the agency in 1917 and was named sole general agent when his father retired last year. He was a former commander of the Ancient & Honorable Artillery Company and served with the F.B.I. during the first world war. His son, Albert H. Curtis II, is a supervisor in the agency.

Leslie Eaton, 51, who had represented Massachusetts Protective and the Paul Revere Life in Milwaukee 25 years, died there following a heart attack. He was a past president of the Milwaukee C.L.U. chapter and a former treasurer of the Milwaukee Assn. of Life Underwriters.

Roland C. Dunlap, 72, for 16 years with Union Central Life at Columbus, died in Veterans hospital in Dayton.

J. Howard Edwards, 80, for more than 56 years in the insurance business in Boston, and a long time Massachusetts state agent of National Life of Vermont, died at his home in Swampscott. He was a partner with Charles W. Gammons in the Boston general agency of James T. Phelps & Co. of Boston, and had been a director of the firm since 1940.

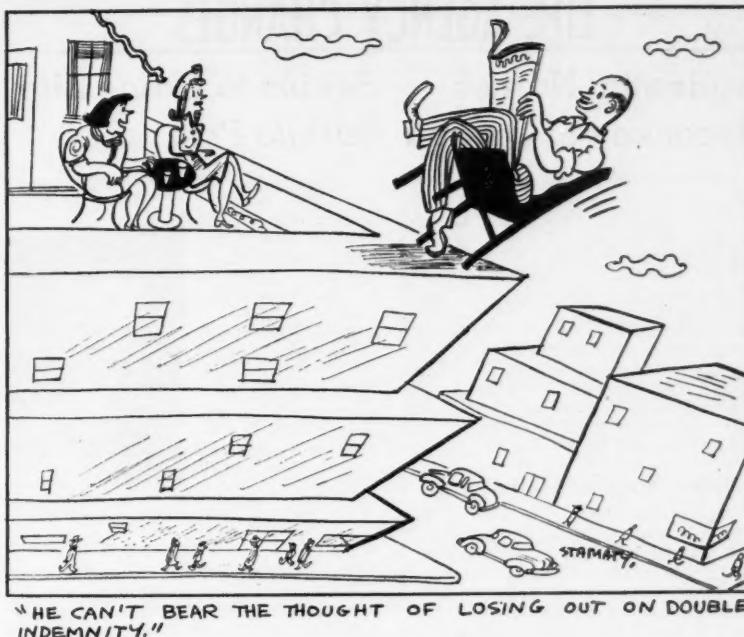
Arthur C. Dorrance, Penn Mutual Life trustee, died at his home in Ardmore, Pa. He was president of the Campbell Soup Co., director of the Pennsylvania railroad, Lehigh Valley railroad, Bell Telephone Co. of Pa., Guarantee Trust Co. of New York, Federal Reserve Bank of Philadelphia and Girard Trust, and former trustee Massachusetts Institute of Technology from which he graduated 1914.

Boston Actuaries' Program

The Actuaries Club of Boston will hold its first fall meeting Oct. 4 with John V. Hanna as chairman. The program includes a summary of mortality experience, new business etc. of member companies, discussion of liabilities at interest only to determine if companies have found it necessary to increase reserves on optional settlements not involving life contingencies, unmatured retirement annuities and premium deposit funds, dividend accumulations etc. Other topics include advantages and disadvantages of graded interest rates for policy loans; how companies are selecting young men for the actuarial profession; alternatives open to the company that operates in those states which have not passed the Guertin legislation in deciding upon a basis for reserves and non-forfeiture values for policies to be issued after Jan. 1, 1948; if any of the non-participating companies represented are considering issuing a participating line of insurance either in addition to or in place of their non-participating line, and if it can be considered safe, under present investment conditions, to issue endowments or limited payment life contracts on a non-participating basis.

Lieberich Joins Mercer Agency

Fred Lieberich, Jr., who resigned recently as New Jersey state agent of State Mutual Life, has joined the Charles W. Mercer agency of Massachusetts Mutual Life in Newark. He will specialize in pension trusts and estate planning. He is a former president of the Life Underwriters Assn. of Northern New Jersey and has been in life insurance 24 years.



HOW MANY POLICIES MAKE A PROGRAM?

IN OCCIDENTAL, it takes only one!

Long ago we discovered you can sell more insurance and sell it easier by delivering everything the buyer needs in one package under one premium billing.

Each Occidental policy—Life, Endowment or Term—is a "chassis" plan to which we'll add these other benefits—any or all:

- Family Income (\$15 or \$10 a month)
- Mortgage Protection (Yearly reducing sum)
- Income Disability (\$10 a month)
- Additional Protection (Term for clean-up)
- Accident & Sickness (Lifetime income)
- Double Indemnity
- Advance Premium Deposit Agreement

This sometimes makes the policy bulkier. It always makes the commission bigger.

Occidental Life Insurance Company
of California

V. H. JENKINS - VICE PRESIDENT

We pay lifetime renewals — they last as long as you do.



LIFE AGENCY CHANGES

Prudential Names

Mecaskey at Omaha

H. Neil Mecaskey has been appointed manager of the Prudential ordinary agency at Omaha. H. B. Ramsey, who has been in charge of the agency since 1915, has requested that he be relieved of direct managerial responsibilities, but will continue with the agency as associate manager.

Mr. Mecaskey joined Prudential as a special agent at Kansas City in 1921. In 1942 he was promoted to assistant manager. In June of this year he was appointed assistant manager of Dallas.

Mr. Mecaskey will have supervision of Nebraska and South Dakota.

McDuffee Named Assistant

Hugh B. McDuffee has been named assistant general agent in the E. A. Ellis general agency of Pacific Mutual Life in Los Angeles, succeeding the late Thomas R. Simons. Mr. McDuffee returned to the agency Sept. 1 after nearly a year's sick leave. He has had an excellent record with the agency.

Bevins to Home Life

Buffalo Post

Stanley H. Bevins, who is taking over the active management of the Buffalo agency for Home Life of New York, was tendered a farewell luncheon by his former associates in the agency department at the home office. William P. Worthington, agency vice-president, presented Mr. Bevins with a gift, and John H. Evans, manager of a New York agency, who was instrumental in bringing Mr. Bevins into the business in 1941, spoke.

Mr. Bevins joined Home Life in the home office sales planning division. He was appointed assistant manager early in 1944, an agency field assistant six



S. H. BEVINS

months later, and manager of the sales planning division in 1945. During the past eight months he has been directing the home office training school for new agents.

At one time he was director in the New York City department of welfare.

Omundson Goes with Nothhelfer & Leck

Clifford R. Omundson has been appointed brokerage manager of the Nothhelfer & Leck general agency of State Mutual Life in Chicago. He has been connected for six years in Chicago with National Life of Vermont as office manager and more recently also handling development of brokerage business.

Mr. Omundson is a University of Iowa graduate of 1928 who immediately upon leaving college became an inventory accountant in the business office of the university. After a year he went with the A. & P. stores as assistant statistician. Later he was office manager for a Des Moines business concern before joining National Life in Cedar Rapids, Ia., as cashier. He went to Chicago for that company six years ago as office manager.

Brokerage development in the State Mutual agency previously has been handled by J. B. Nothhelfer and W. S. Leck, the general agents.

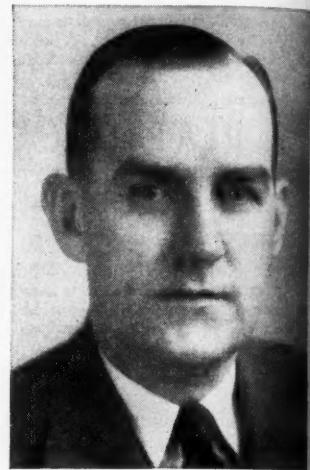
Their agency has had increased production in each of the last seven years and in 1945 had the best year in volume of paid business. So far this year the paid volume has exceeded that in the same period last year.

Francisco district, succeeding Mr. Bender; Willard A. Turner, promoted to assistant manager of the Oakland district.

Burns District Manager in Lansing for Great-West

Bernard J. Burns has been named district manager of Great-West Life in Lansing, Mich.

He has been prominent in life insurance and service club circles, is a past president of the Lansing Optimist Club.



BERNARD J. BURNS

and is a member of the President's Club, Great-West honor group.

Mr. Burns has established a fine record as a successful agent-producer. His appointment as district manager places him in charge of an important part of Great-West Life's Grand Rapids agency, which is under the management of C. B. Devol, Jr.

Security L. & A. Appointments

The Security Life & Accident has appointed L. W. Boardman state manager for Arizona with offices at Phoenix. He has spent many years in the casualty business as Utah state supervisor for Farmers Auto of Los Angeles.

John J. Crow is appointed agency manager at San Antonio. He has resided in Texas for many years, with long experience in life insurance.

Lewis Opens Fourth Branch

Arthur Lewis, Newark general agent of Pacific Mutual Life, has announced that he has established a fourth branch in Passaic to cover Passaic and Bergen counties.

The entire agency force of the four agencies attended a breakfast in Newark Club to celebrate the opening of the new office and to make plans for the annual inter-agency contest.

Landers Aid to Nenner

Edward D. Landers has been appointed agency assistant in the William J. Nenner agency of Penn Mutual Life at Cleveland. He is a graduate of Western Reserve University. After a year in advertising and three years in the electrical business doing war work, he went with Penn Mutual in 1944 and paid for \$400,000 in his first year. In 1945 he spent four months in the maritime service. He is a trustee of the Cleveland Junior Chamber of Commerce, a member of the executive committee of the Cleveland Sesquicentennial Commission, and president of the Men's Club of Fairmount Presbyterian Church.

Unity Mutual Promotions

Promotions announced by Unity Mutual Life & Accident of Los Angeles, include: Heinz Bender, assistant manager of the San Francisco district, appointed home office inspector for the northern division; J. R. Gonzalez, promoted to assistant manager at San



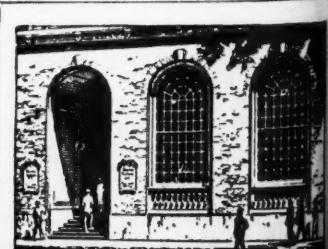
Steering the field force is no part of our policy.

We know that the type of approach, the manner of closing and the mechanics of a sale vary with agents. We don't attempt to channel their efforts. We do try to help them with material and ideas that are adaptable to their own particular styles of selling. As long as we are in this business it will be our policy not to steer the agent but to help him in the kind of selling he finds most productive.

LIFE INSURANCE BEGINS WITH THE AGENT.



Central Life
ASSURANCE SOCIETY
(MUTUAL) of Iowa



The Boston Mutual Life Insurance Co.
Fifty-fifth Year of Service to the
People of New England.

See
State
need
plus

Theo.

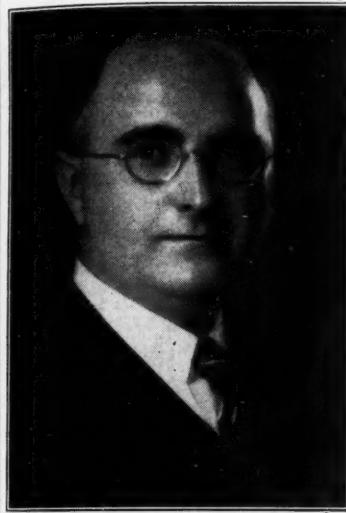
Pre

REP

AMONG COMPANY MEN

Bradley Leaves Home of Pa.: J. J. Hopkins Is Successor

William J. Bradley has resigned as field inspector and publicity manager of Home Life of Philadelphia, and his place has been taken by John J. Hopkins, a returned veteran, who was previously in the auditing department. Mr. Bradley is well known throughout the country. He has had 30 years experience in life insurance in various phases



WILLIAM J. BRADLEY

with particular reference to promotional and sales educational activities. He was the founder of the Industrial Section of the American Life Convention, and was its chairman for the first two years. He is a director of the Insurance Federation of Pennsylvania, a member of its executive committee and chairman of the Industrial Life Council of the federation.

He established and conducted a complete program of sales training for men on the debit. He holds an associate degree from the Life Office Management Institute.

New Training Assistants

A. Emil Lawson and Adam Oberheim have been appointed training assistants in the agency department of Mutual Life. They will assist Ward Phelps, director of training, in the company's three-year training program.

Mr. Lawson joined Mutual Life in 1913 as a clerk in the Ives & Myrick agency, now the Myer agency, New York City. In 1930 he was appointed supervising assistant, and in 1944 was named assistant to Manager Richard E. Myer. He became an assistant manager of the agency in 1945, and has qualified for his company's National Field Club three times. The club is composed of Mutual Life's leading representatives from all over the United States.

Mr. Oberheim joined the Bowers agency in New York City in 1926. In 1928, he was appointed to assist Manager LeRoy Bowers in the selection and training of new agents. An assistant

manager of the agency since June, 1945, he is a member of the executive committee of the Life Supervisors Assn.

J. N. Munday Promoted

J. N. Munday, for four years in supervisory work in the claim department of the Farm Bureau companies in Columbus, O., has been promoted to field claim supervisor, and will coordinate claim work between the field and home offices.

Ihlenfeldt to St. Paul

MILWAUKEE — B. F. Ihlenfeldt, Wisconsin state manager for Cooperative Insurance Mutual, casualty, and Cooperative Life Mutual, Milwaukee; Central Mutual Fire, Superior, Wis.; American Farmers Mutual Auto and Cooperators Life of St. Paul, is being transferred Oct. 1 to the home office in St. Paul as director of sales for all companies in their four-state operations. Plans are being considered to consolidate the two casualty companies as well as the two life associations.

He will be succeeded here by C. E. Shogren as state sales manager. Mr. Shogren has been associated with the group since 1943 and has been western Wisconsin field supervisor out of Waukesha.

Mengel Joins Neb. National

L. D. Mengel has resigned as Nebraska fire marshal to become vice-president of Nebraska National Life, company organized at Lincoln by D. R. Bays, who also organized and became president of Service Life. Mr. Mengel had been marshal since Oct. 1, 1944, and previously for three years was state sheriff in Nebraska.

Colonial Board Appointments

Board appointments by Colonial Life include the naming of Mark A. Sullivan as a member of the executive committee; Frederick G. Baumann as member of the audit committee and Howard R. Cruse as chairman of the audit committee. A member of the board since 1943, Mr. Sullivan has been judge of the court of errors and appeals of New Jersey and judge of the Hudson county court of common pleas. Mr. Baumann is president of Edward W. Berger & Bros., and has been on the Colonial board since 1943. Mr. Cruse is a lawyer and commissioner of the Port of New York Authority, who joined the board in 1934.

Dodge Joins Progressive Life

Frank P. Dodge has been appointed actuary of Progressive Life of New Jersey. He was formerly assistant actuary of United Life & Accident.

Klutznick Service Life Officer

Philip M. Klutznick, newly elected vice-president, associate counsel and director of Service Life, was born in Kansas City and educated at the University of Nebraska and Creighton University. Since then he has practiced law and served in a number of governmental posts including terms as special attorney for the Department of Justice, regional representative of the National Housing

Agency and is at present commissioner of the Federal Public Housing Authority and consultant to the National Housing Administration. He maintains offices and residences at Omaha and Chicago.

J. T. Van Doren to Retire

John T. Van Doren, cashier at the home office of Mutual Benefit Life for more than 54 years, will retire from active service on Oct. 1.

C. L. U.

Brown Omaha C.L.U. Head

Joe F. Brown, Prudential, has been elected president of the Omaha C.L.U. chapter. Robert T. Burns, Northwestern Mutual, is vice-president, and Wm. A. Fowler, John Hancock, secretary.

Hinkle Speaks in Peoria

Roland D. Hinkle, new president American Society of C.L.U. and assistant manager of Equitable Society in Chicago, spoke at a meeting of the Peoria, Ill., chapter on "Moving on Incessantly." He stressed the growing need for more information and educa-

tion in advanced underwriting and urged agents avail themselves of the C.L.U. course to open soon in Peoria. Morris Landwirth, president Peoria chapter, also spoke about the course. An organization meeting for the course, which is to be given one day a week for four years, was held in Peoria.

O. H. Noffziger, who recently qualified, received his C.L.U. certificate.

New Indianapolis Officers

F. W. Floyd of Philadelphia, executive secretary American Society of C. L. U. spoke at a meeting of the Indianapolis chapter on "Public Acceptance." New officers installed are: F. A. Miller, general agent American National Life, president; Grant O. Q. Johnson, manager Mutual Life, central vice-president; Dr. J. E. Hedges, Bloomington, southern vice-president, and Hilbert Rust, R. & R. Service, secretary-treasurer.

Ray O. Woods, associate general agent John Hancock Mutual Life and Raymond E. West, assistant cashier Equitable Society, both of Indianapolis, were awarded C.L.U. diplomas.

Edward A. Krueger, State Life of Indianapolis, was commended by Mr. Floyd on his record as national treasurer of the society, and was presented an inscribed silver tray.

Mr. Floyd spoke on "Public Accept-

GENERAL AGENCY OPENINGS

in

Northern Ohio

Southern Ohio

Western Michigan

Western Tennessee

Territory also available in other states



Complete Home Office Cooperation
Liberal Agency Contract

Policies issued from ages one day to
sixty-five years

Company in 52nd Year of Dependable
Service



THE STATE LIFE INSURANCE COMPANY

Indianapolis, Indiana

MUTUAL LEGAL RESERVE FOUNDED 1894

"Registered Policy Protection"

Nothing overlooked to

INSURE OUR INSURANCE

Securities with highest official approval deposited with State . . . Life policies registered, bear State Insurance Department Seal . . . clients have complete personal protection, life, health, accident, hospitalization . . . and Agents have as substantial compensation as any in America, plus Lifetime Service Commissions and Pension Plan.

M. ALLEN ANDERSON, First V.P., Director of Agencies

Theo. P. Beasley,
President

DALLAS 8, TEXAS
HOME OFFICE

REPUBLIC NATIONAL LIFE INSURANCE CO.

ance," saying that such acceptance of the life underwriter as a member of a profession depends upon professional personal standards, professional education, and professional skill.

Oklahoma Chapter Hears Attorney

The season opened for the Oklahoma C. L. U. chapter with a meeting at which Edwin W. Burch, attorney who specializes on taxes, spoke on "Estate Analysis."

Lawyers "Federation" to Meet

The Federation of Insurance Counsel will hold a meeting at the Marlborough-Blenheim Hotel, Atlantic City, Oct. 26.

One of the speakers will be Dr. S. M. Lindenbaum of New York, on "The Enigmas of Medical Evidence." There will be a get-together party and banquet. The federation has not had a meeting since 1941.

ACCIDENT AND HEALTH

Cal. Plan for Medical, Hospital Cover Is Ready

Members of the California Health Insurance Conference of Insurance Companies are expected to be ready in October to write policies under the California plan for voluntary prepaid medical and hospital care. The constituent companies are California-Western States Life, Occidental Life, Federal Life, Associated Indemnity and Pacific Employers. Membership is open to any insurer that is willing to cooperate with the medical profession in operation of the plan.

The conference will write the policies, administer the plan and pay the benefits. The contracts will not be jointly underwritten, but will be those of individual companies. There will be no agreement for establishment of uniform rates or premiums.

The plan involves adopting a standard schedule of medical, surgical and hospital indemnities that is acceptable to the medical profession. There will be uniform administrative procedures, an educational program will be conducted and statistical data will be gathered.

The plan was conceived when the unemployment compensation disability bill was introduced in the legislature and appeared to have the green light. The policies may be written either individually or on a group basis.

Physicians and surgeons will charge the standard fees that are set forth in the policies to insured patients who are in specified income levels. Higher charges may be made to insured persons of higher income. The conference estimates that 95% of the medical care and hospitalization costs of persons in the lower income brackets will be covered.

The assured may select his own physician and hospital. The standard fees are to be charged single persons earning \$3,000 or less a year, married couples whose combined earnings are \$4,000 or less and married couples with one or more dependent children under 18, whose combined earnings are \$5,000 or less.

Each member insurer will handle the administration of those policies which it has issued, under the general supervision of a standing committee.

Hike Ia. Blue Cross Rates: New Hospital Payment Plan

DES MOINES—A 20% increase in rates for Blue Cross subscribers and a new method of payments to member hospitals is announced by F. P. Lattner, director of Hospital Service of Iowa.

Payments in the future will be made on a basis of regular charges of member hospitals instead of the previous per diem rate based on average charges of all the hospitals.

The plan had 88 member hospitals and 319,950 members as of Aug. 31.

D. C. Plan Moves Ahead

WASHINGTON — The District of Columbia Medical Society prepaid care plan moved forward at a meeting last week, when 566 doctors of 600 polled were reported as favorably responding to the plan. Twenty members were named to form a corporation, to be known as Medical Service of the District of Columbia, to carry out the plan and to select trustees. This will be composed of seven members of the society and one each from the District of Columbia health department and U. S. Public Health Service, and two from the Washington Metropolitan Health Council.

The plan, when put into effect, will provide surgical and obstetrical care, but later may be expanded to cover medical service. The plan will operate on a group basis, each group limited to a minimum of 10 persons of 50% of the group in any one establishment. The tentative scale of monthly rates is 75 cents for single persons, \$1.50 for married couples and \$1.75 for a family. Subscribers will have free choice of physicians.

Conferences of representatives of the new service with officials of Group Hospitalization, Inc., concerning administrative problems and operation of the plan are planned, with a view to cooperation between the two groups.

Medical Care Plank in Conn.

The newly adopted platform of the Connecticut Democratic convention con-

tains a plank for "medical care insurance and disability insurance, compatible with possible federal legislation. Benefits should be financed by contributions of employers, employees and the state. The right of free choice of physician and medical facilities should be assured and provision made for professional administration of medical care."

Democratic leaders were quoted as saying that this does not imply socialization of medicine since participants would have free choice of physicians and medical facilities.

I.C.M.A. Issues NSLI Folder

"G. I. Insurance Streamlined" is the title of a folder gotten out by Illinois Commercial Men's Assn.

It tells veterans how to get the most out of their NSLI and covers the most recent changes in the law including the provision for bringing income disability benefits at the rate of \$5 per \$1,000.

POLICIES

North American Life Eases Non-Medical Rules

North American Life of Chicago on Oct. 1 will considerably liberalize its non-medical rules.

Under the new rules, qualified agents may write both men and women up to age 40 inclusive, to a total of \$5,000 life insurance on the non-medical basis.

From ages 41-45, inclusive, \$2,000 may be written on the non-medical basis for both men and women.

Franklin Takes Diabetics

Franklin Life is now considering diabetes for substandard. Such applicants must have been under medical treatment for at least two years, and have no other ratable medical impairments. Applications will be considered on male and female risks, ages 15 to 60, substandard on ordinary life and higher premium plans for a maximum amount of \$25,000 on any one life.

Victory Mutual Has Non-Medical

Victory Mutual of Chicago now is issuing \$1,000 policies on standard lives without medical examination.

NEW YORK

WOMEN AGENTS TO MEET OCT. 1

The League of Life Insurance Women will hold its opening meeting of the season Oct. 1 at the John Wanamaker club house. The program is entitled "Echoes of the National Assn. of Life Underwriters convention and the Million Dollar Round Table." Participants will be Lillian L. Joseph, Home Life of New York; Hermine R. Kuhn, Manhattan Life; Elsie M. Matthews, Manhattan Life; and Mildred F. Stone, Mutual Benefit Life.

MANAGERS' OUTING CHANGED

The outing of the New York City Life Managers Association, scheduled for Sept. 26 at the North Hills Golf Club on Long Island, has been postponed to Oct. 10 at Knollwood Country Club, Westchester county. The club can be reached easily by automobile or by taxi from White Plains. Unfortunately President George A. White of State Mutual, who was to be the guest of honor, will be unable to be present Oct. 10 because of previous commitments.

KNIGHT AGENCY OUTING

Honors were accorded to leading producers and golfers at the annual outing of the Charles B. Knight agency, Union Central Life, New York City, Westchester Country Club. In a sales contest held earlier in the year, Joseph Gross was chosen by captains of



PEOPLES LIFE INSURANCE COMPANY
"The Friendly Company"

FRANKFORT

INDIANA

One Package=PLUS Business



Under this complete plan, one application can cover Life, Accident, Health and Hospital protection . . . a convenience for your clients, a time-saver, income-builder for you. Write today about an opening in your community.

FEDERAL LIFE AND CASUALTY COMPANY
DETROIT 2, MICHIGAN
40th ANNIVERSARY YEAR

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several teams as the man who did the most outstanding job. Although confined with a heart ailment he used the telephone to such good effect that he was among the leading producers for the contest month. Mr. Gross gave credit to his office staff. The leading producer in written business was Schuyler Livingston with \$273,974 for the month. Samuel Sotomer came through with the largest paid business, \$230,000. Mrs. Frances Raskin led in lives with 46. The golf tournament was won by Ray Gibbo.

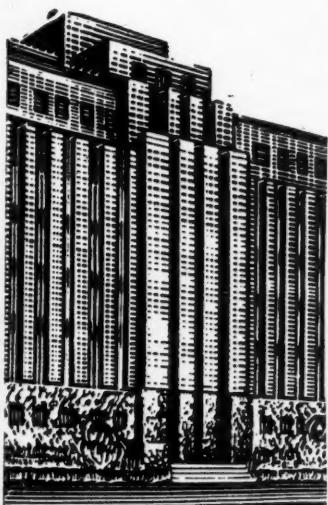
EIGHT PRESIDENTS TO BE GUESTS

Eight life company presidents will be seated at the head table at the first fall dinner meeting of the New York City Life Underwriters Assn. Oct. 3 at Hotel Pennsylvania. The speaker, as previously announced, will be Dave E. Satterfield, executive director and general counsel of the Life Insurance Assn. of America.

The presidents who have accepted are H. L. Amber, Berkshire; L. W. Douglas, Mutual; J. P. Fordyce, Manhattan; J. A. Fulton, Home of New York; T. I. Parkinson, Equitable Society; F. D. Russell, Security Mutual; J. A. Stevenson, Penn Mutual; and J. S. Thompson, Mutual Benefit.

Prepare History of A. L. C.

The directors of American Life Convention have felt it highly desirable to have a comprehensive history of the organization written. There is no such work now in existence. President Claris Adams has appointed a committee of four, of which Lee J. Dougherty, Davenport, Ia., vice-president of Occidental Life, is chairman. The committee will have research made on the records of various kinds since the A. L. C. started and will endeavor to bring its activities up to date so that the volume can be added to as the years go by.



BANKERS Life COMPANY
DES MOINES

MANAGERS

Complete Setup for Area Conference in Washington

The program for the N. A. L. U. area management conference at the Mayflower Hotel in Washington, D. C., Oct. 18-19 has been completed with the addition of A. Rogers Maynard, Metropolitan Life, superintendent of agencies southeastern territory, and R. Scilater Brown, Equitable of Iowa, Nashville, as speakers. As previously announced by Herbert R. Hill, Life of Virginia, Richmond, area chairman, the conference is for all general agents and managers in Virginia, West Virginia, Maryland and the District of Columbia.

Mr. Maynard's address on "New Man Training" is expected to provoke a well-rounded discussion on first year training, as he has long been a leader in his company's agency training division and should give a real punch to the meeting for the weekly premium and combination company agency heads. Mr. Brown's subject will be "The N. A. L. U. General Agents and Managers Committee—Its Aims and Purposes." He is eastern vice-chairman of the committee.

As already announced, the featured speaker the first day will be Charles W. Campbell, Newark ordinary manager of Prudential, who will discuss current agency problems. He will lead a forum after his address. A. R. Jaqua, director of the marketing school at S. M. U., will discuss first year training, especially from the campus angle. Mr. Hill will talk on "Why an Area Conference?" Managers and general agents desiring accommodations at the Mayflower should communicate with John P. Stumpf, manager of Travelers, Washington building, Washington, D. C.

Managers Hear of T.C.U. Course

The San Antonio Life Managers Club was addressed by C. L. McPherson, director life insurance marketing course, Texas Christian University, Fort Worth. He told the purposes of the course and stated maximum enrollment is 40.

Turner Addresses Cashiers

The San Antonio Life Agency Cashiers Assn. heard a talk by T. J. Turner of the better business bureau on schemes of swindlers especially those who victimize insurance buyers. He receives up to 15 complaints daily on insurance bought as the result of radio and mail advertising of non-admitted companies.

Emanuelson Columbus Speaker

C. Harry Emanuelson, general agent of Massachusetts Mutual Life, addressed the Columbus Life Managers & General Agents Association Sept. 26 on "Interpreters to the Public." Mr. Emanuelson went to Columbus last May.

Minneapolis Managers' Outing

The Minneapolis Life Managers Association will hold its annual golf party and dinner Sept. 27 at Golden Valley Golf club with St. Paul managers as guests. W. L. Robison of Mutual Life is in charge of arrangements.

Williams Speaks in Wichita

The Wichita General Agents & Managers Association heard a talk by Ben H. Williams, mid-western superintendent of agencies of Mutual Life, on "Selection of Agents."

The Minneapolis Cashiers Assn. resumed monthly meetings after the summer vacation. First fall meeting was held Sept. 19 when plans were discussed for the coming year.

Charles W. Melchinger, assistant mathematician at the home office of Mutual Benefit Life, has rounded out 50 years of service.

SALES MEETS

Wisconsin National Field Supervisors, Key Men Confer

OSHKOSH, WIS.—A five-state meeting of about 40 home office field supervisors and key men of Wisconsin National Life was held here for two days, with representatives present from Wisconsin, Minnesota, Illinois, Michigan and Indiana. The first day was devoted to life insurance as well as acci-

dent and health sales and round-table discussions, with discussions in charge of G. A. L'Estrange, vice-president and agency director, and A. L. Senderhaus, agency assistant. Legal aspects were discussed by W. Mead Stillman, general counsel, while Allen C. Eastlack, actuary, spoke on statistics and underwriting problems.

Robert P. Boardman, executive vice-president, was the principal speaker at the dinner attended by about 70, with Mr. L'Estrange as master of ceremonies. Mr. Boardman discussed investment problems of life insurance companies and their effect on the economic struc-

A THREE-FOLD RESPONSIBILITY

Today's career life underwriters are faced with a three-fold responsibility.

1. To bring to as many American homes as possible the benefits of adequate life insurance protection;
2. To cooperate as a part of the institution of life insurance to combat inflationary talk and tendencies;
3. To counsel with all war veterans and urge that they retain their National Service Life insurance.

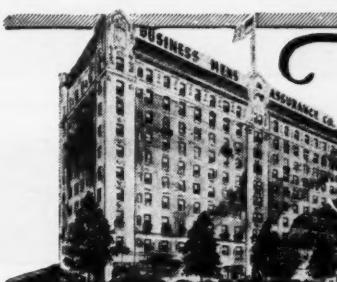
Upon the execution of this three-fold responsibility today depends, to a great extent, the prestige and increased usefulness of tomorrow's career life underwriters.

Equitable Life of Iowa

Founded 1867

HOME OFFICE

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The Home of
COMPLETE PROTECTION

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Chairman

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Centrally Located
Serving the Nation
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ture. Short talks were also made by R. E. Martin, vice-president and secretary; O. A. Lichtenberg, treasurer, and Dr. E. B. Williams, medical director. The second day was given over to individual conferences of the visitors with company officers and department heads in the home office, and tours of the building.

Welch Speaks in Texas Rally

Vice-president Vincent S. Welch reviewed progress of Equitable Society at the Camp Waldemar, Tex., convention of the company's Texas agents. He reported the Texas lapse ratio has been 9.2 as compared with the company's average of 11.4. Group business the first seven months totaled \$140,000,000.

The Little Gem Life Chart provides the answers that get the business.

Bragg Chicago Speaker; Award C.L.U. Designations

James E. Bragg, New York City manager of Guardian Life, talked Wednesday at a joint luncheon meeting of the Chicago Association of Life Underwriters and Chicago C.L.U. chapter.

The C.L.U. designations were awarded to these candidates: R. G. Evans, Schwemm agency Great-West Life; Irving Ackerman and Roy Marazno, Guon agency of Metropolitan; C. N. Fuller, Hunken agency, Connecticut Life; J. D. Martin, Woody agency, Equitable Society; Milton Perlman, Klein agency, Home Life of N. Y.; H. W. Storer, Parsons agency of Mutual Benefit; J. R. Gallagher, home office field representative of Metropolitan. It was announced that candidates who have successfully

passed the required examinations and will be awarded the degree upon completion of field experience are B. A. Gorny and A. D. Rosenthal, Prudential.

man, Northwestern Mutual, C. A. Benedict, who recently qualified for the C.L.U. designation, was given special recognition.

Duluth—Robert Shay, Bankers Life Minneapolis, gave an address explaining what the Minnesota state association has done in regard to NSLI.

Nashville—More than 300 insurance men from all parts of Tennessee are expected to turn out to hear Chester O. Fischer, vice-president of Massachusetts Mutual Life, address the kick-off meeting Friday noon.

Wichita—E. E. Cooper, assistant agency vice-president of Equitable of Iowa, spoke at a luncheon meeting on "Clouds and Silver Linings." Arthur F. Priebe, million dollar producer of Penn Mutual at Rockford, Ill., will be the November speaker.

Topeka—Wyllis Craig, field supervisor of Aetna Life in the home office, addressed a breakfast session. A "ladies' night" meeting is scheduled for Sept. 27.

Cedar Rapids, Ia.—Newell C. Day, general agent for Equitable Life of Iowa at Davenport, talked on "Blueprint for Happiness."

Syracuse—Visual means in selling were emphasized by Timothy W. Foley, New York general agent of State Mutual. "Even insurance men," he said, "must admit that in itself a life insurance policy is a drab, cold-looking thing. But with pictures, the policy can be given warmth and a human quality."

The speaker pointed out that visual aids have been used successfully in selling other kinds of merchandise.

New officers were installed, the president being Robert G. Wennstroem.

La Porte County, Ind.—Paul Keller, veterans administration, Gary, spoke at the monthly meeting at Michigan City.

Blytheville, Ark.—Clyde R. Welman, general agent, National Life of Vermont at Memphis, will be the speaker at the monthly meeting Sept. 28.

Minneapolis, "Two Worlds" was the topic discussed by Gideon Seymour, Minneapolis editor and lecturer, at a meeting Thursday.

Lincoln, Neb.—T. H. Tomlinson, manager of sales promotion Bankers' Life of Des Moines, said that to sell life insurance properly the agent must have the fundamental concept of insurance as property. Life insurance, he said, must be recognized as property. The individual buys the policy for the income it will give him in later life.

Anderson, Ind.—Alden C. Palmer, R. & R. Service, spoke.

Waukesha, Wis.—E. C. Hall, Northwestern Mutual, was elected president succeeding Irving Beaman, New York Life. John H. Brown, Metropolitan, is vice-president; Robert Bagby, Northwestern Mutual, secretary.

Richmond, Va.—The first fall luncheon-meeting was given over to reports from the N. A. L. U. Cleveland convention. Herbert R. Hill of Life of Virginia who was named a national trustee, received congratulations.

The Charles Jerome Edwards Trophy was formally received.

Logansport, Ind.—Eber M. Spencer, Provident Mutual, Indianapolis, spoke on "The Underwriter in 1946."

Indianapolis—The job of a life underwriter is not so much one of selling policies as helping people get the kind they need. Raymond Dolwick, assistant director of agencies Northwestern Mutual, declared. Recent surveys show that one in every five persons wants more life insurance but is confused as to which policy to buy. It was announced the sales congress will be held Oct. 18.

The program will include six outstanding speakers. Claude C. Jones, Connecticut Mutual Life, is chairman.

St. Paul—The first fall meeting was held Thursday, when reports were made on the national convention at Cleveland.

No Renewals for Sale

NEW YORK—The phenomenal increase in life insurance sales is making everybody happy but the individuals and firms specializing in the purchase of renewal accounts from life agents. In less prosperous times they do quite a business with agents who would rather have cash at the moment than later. However, at present almost no agents need to resort to this means of anticipating their future renewals.



ONE SURE ROAD to security and contentment
which takes care of you and your family today
... and tomorrow . . . is planned economy
offered by modern life assurance services.

SUN LIFE OF CANADA FOR SECURITY

\$250 to \$500 single

1000 Rooms — 1000 Baths

WHERE YOUR COMFORT COMES FIRST

Here at the Prince George guests enjoy the homey luxury and genuine comforts seldom found in other New York hotels. 1,000 spacious, tastefully furnished rooms, all with bath. Five famous restaurants and a cafeteria. Quiet, yet within 3 minutes of the shopping district. Low rates make the Prince George New York's most outstanding hotel value. Write for booklet NUL.

Single room with bath from \$2.50
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Charles F. Rogers, Jr. ~ Manager

September 27, 1946

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Emphasis on Workers' Progress

(CONTINUED FROM PAGE 1)

consistently friendly. There should be more understanding, for understanding creates confidence.

The employee again took the foreground in a study of merit rating scales for clerical workers. This study, not yet completed, was presented by Leonard W. Ferguson, chairman of the L.O.M.A. salary study committee. When completed, it will be of great value to life insurance companies.

A system of merit rating must reflect common sense experience, include traits that are important (a list of 100 traits that can be observed was sent to 400 supervisors with the request that they indicate the relative importance). Those which were indicated as being the most essential were accuracy, dependability, knowledge of work, ability to work with others, and efficiency).

Differentiation Is Important

The system must differentiate one employee from another. The greater the differentiation in ratings the more useful the scale. The disadvantage of most rating scales is that the ratings cluster at the favorable end of the scale and little differentiation is shown.

There must be different ratings for employees doing different types of work. The system must be easy to use. It must give consistent and sensible results.

It must really measure the traits which it is supposed to measure, must be acceptable to management, must be acceptable to supervisory personnel and to employees. There must be free and frank discussion of the system.

Francis Imlan of Prudential's controllers department gave a comprehensive explanation of departmental budget systems and B. N. Woodson, president of Commonwealth Life, gave an address.

Membership Totals 181

An all-time high in membership was announced by Frank L. Rowland, executive secretary. During the year, 19 new members were accepted, bringing the total to 181.

Post-war personnel administration, he said, seems to be of major concern, in-

OFFICE MANAGER

Wanted by an established Health and Accident insurance company in Chicago with annual premium income of over \$3,000,000. Must be familiar with office systems. An excellent opportunity for advancement and good salary for right man. In reply state age, qualifications and give reference. Replies strictly confidential. Our employees know of this advertisement. Address H-75, The National Underwriter, 175 W. Jackson Blvd., Chicago 4, Illinois.

WANTED

IBM Machine Room Supervisor or person with ability to be trained for machine room supervisor. Preferably, with life insurance company experience. Home Office Pacific Coast company. Fine opportunity. All replies will be kept confidential. Address H-65, The National Underwriter, 175 W. Jackson Blvd., Chicago 4, Illinois.

cluding wage administration, pension plans orientation of new employees and veterans, veterans training under the G. I. bill, training and education of office workers and recruiting in a tight labor market.

On Sunday, preceding the opening of the general sessions, an industrial insurance seminar was held during the afternoon. Chairman was Horace T. Polk, treasurer National Life & Accident.

Twenty-two manufacturers of office machinery and equipment featured post-



HORACE W. FOSKETT

war products in several rooms adjoining the main conference meeting hall. Special demonstrations were held Tuesday afternoon and evening. Another feature was the exhibit of gadgets which have been devised by the inventive skill of life office personnel in the home offices of member companies of the association.

Northwestern Mutual and Old Line arranged for a hospitality desk at which visitors could make arrangements for visitations at their home offices and arrange a time to meet particular individuals.

Preceding the banquet Monday, the Wisconsin life companies were hosts at a reception and cocktail party. There were no speakers. A cast of Northwestern Mutual employees put on a skit, "The Dream of Joseph Doakes," a fantasy written by Lafin Jones, assistant director of agencies, and depicting various aspects of the business as it appears to a new agent who has been attending inspirational sessions of an insurance convention.

Entertainment for Wives

Entertainment for the wives was arranged by Miss Louise Newman, personnel director Northwestern Mutual, chairman. Wives of Wisconsin company executives were among the hostesses. James H. Daggett, president Old Line Life, spoke at the women's luncheon Monday.

A typical supervisors' conference was presented at the Wednesday afternoon session under the direction of Miss Newman, and Leonard Timmerman, secretary department. Miss Newman described the organization of the Northwestern Mutual Supervisors' Assn. and its work as it functions through periodic conferences. Mr. Timmerman directed the demonstration and presented the benefits derived from this type of organization.

Office Planning and Equipment

With R. C. Kneil, vice-president of Reliance Life, as chairman, a four-man panel report on office planning and equipment was heard. The papers represented a year's study by a committee.

The participants were Herman Knauss, Mutual Life; Roland A. Mangini, John Hancock; Logan J. Massee, Massachusetts Mutual, and

Harry L. Archey, Jr., Fidelity Mutual. Mr. Knauss declared that postwar models of office machines will show no new and radical innovations, and that the picture will not change much until industry is over the ills of reconversion. He treated furniture and accessories, filing equipment and systems, typing, tabulating, microfilming, dictating and recording, reproduction and duplicating equipment.

Personnel Angle in Expense

Mr. Mangini's report was concerned with the application of production line operation to clerical work while Mr. Massee spoke on mailing premium notices and posed the alternatives of home office vs. field offices. Mr. Archey spoke on the creation and maintenance of policy title records.

Taking up first the personnel angle in his discussion of effective expense administration, Roy R. Benjamin, assistant

actuary of Metropolitan Life, said that every employee wants a fair salary and ample opportunity for promotion on a fair basis and there will be a discouraged and disgruntled personnel doing mediocre work unless promotions and salary increases are based primarily on merit, past performance, and the value of the work to the company. Because of their varied activities, it has been difficult systematically to establish the relative value of employees, but in spite of this, management is successfully developing scientific methods of determining salaries.

Of the 76 companies which replied to the recent L.O.M.A. cost committee questionnaire, 26 indicated that they have some employee training program, 16 of them using the complete training-within-industry. There are also educational activities designed to improve the quality of personnel through increased knowledge and understanding. Most outstanding in the life insurance busi-



Personal Producers—

who are of general agent caliber find Western Life contracts pay them far above the average for the business. Check our financial statement and then ask for proof of the earning possibilities of our agents' contracts.

General Agency Openings - - In California, Washington, Oregon, Idaho, Montana, Utah and Wyoming for men who can qualify.

WESTERN LIFE INSURANCE COMPANY

Since 1910

MONTANA

Assets \$24,312,324

Surplus to Policyholders \$2,900,000

Insurance in Force \$108,574,644

(August 31, 1946)

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There's Substantial Money to be made even in a small town—through our General Agent's contract

Attractive General Agency territory open in Missouri, Iowa, Arkansas, Mississippi, Kentucky and Louisiana.

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MUTUAL SAVINGS

MISSOURI'S FIRST WHOLLY MUTUAL LEGAL RESERVE COMPANY
Life Insurance Company

812 Olive Street

Allen May, President

St. Louis 1, Mo.

Several Occidental Officers Promoted

Six important promotions on the staff of Occidental Life were made by the directors. Horace W. Brower, vice-president, was elected executive vice-president to fill a vacancy created when



H. W. BROWER

Dwight L. Clarke was elected president two years ago.

V. H. Jenkins, vice-president, was elected senior vice-president. Clarence H. Tookey, actuary, was made actuarial



V. H. Jenkins



C. H. Tookey

vice-president. H. G. Dobson, controller, was elected vice-president and controller. Earl M. MacRae, associate actuary, becomes assistant vice-president. J. P. Dandy, associate actuary, now is actuary.

Richard E. Scott, assistant secretary, was named manager mortgage loan department, and A. M. Burke, former assistant to the president, has become associate manager of that department in charge of developing new loans.

Substantial realignment of executive duties and streamlining of functional operations were announced.

Experienced in Finances

Mr. Brower developed in the financial department. He has a detailed knowledge of company operations through his 13 years in administrative and executive capacities. He was in the banking business from 1920 to 1933, for 11 years with Bank of Italy, predecessor to Bank of America, latterly as assistant vice-president, then joined Occidental as manager of the mortgage loan department. He became assistant secretary of Occidental in 1935 and vice-president in 1943, directing mortgage loan operations. He now will direct company investments as well as have general duties.

The newly created office of senior vice-president brings added responsibilities to Mr. Jenkins. He will continue in charge of all sales activities. Mr. Jenkins has been with Occidental for 32 years.

Mr. Tookey takes over-all charge of actuarial, medical and underwriting functions. He has been with the company 25 years. Mr. Dobson joined Occidental as auditor in 1935 after over 15 years' experience in accounting and inspection

work and was elected controller in 1943. Mr. MacRae joined Occidental as assistant actuary in 1937 after 10 years in that work with Great-West Life, became associate actuary in 1944 and then took charge of underwriting, which he continues to manage with the additional title of underwriting director. Actuary Dandy joined Occidental as assistant actuary in 1942, formerly having been actuary of National Life of Canada. He became associate actuary a year ago.

May Hold Pension Forums in Philadelphia and Boston

The U. S. Chamber of Commerce insurance division, it is understood, is working out plans to hold pension trust forums in Philadelphia and Boston. No dates have been set.

Tells Medical Fund Plan

CINCINNATI — The development and objectives of the Life Insurance Medical Research Fund were described by Dr. F. G. Blake, dean of Yale medical school and chairman of the advisory council of the fund, in addressing the annual general meeting of the Cincinnati C.L.U. chapter. Medical advisers unanimously agreed as to the need for research in the field of disease of the heart and of the circulatory system and also in the means used in supporting and promoting research. This included the establishment of fellowships for promising medical research workers and the grants in aid for participation in research undertakings.

It was agreed that the fund must be set up so the greatest possible freedom for research was given and that the advisory committee should not draw up a specific program for research. There are now 149 life companies participating, representing from 90% to 95% of the total business in force. About \$580,000 has been provided annually in continuing subscriptions over the next six years. Fifty-five grants have been made ranging from \$1,000 to \$48,000 out of the 129 applications for such grants. The problem is a long term one, he declared.

Dr. Blake was introduced by J. A. Lloyd, vice-president of Union Central. Gerald Ispahding, Connecticut Mutual, president, introduced the distinguished guests and the presidents of the various Cincinnati life organizations.

C. K. Dunn in Charge

WASHINGTON—Charles K. Dunn, who was associated with the late Earl Sapp in the Washington agency of New England Mutual Life, is operating the

setup as a branch office, in the capacity of general manager. Mr. Dunn was assistant general agent, and in charge of the office during the period of Mr. Sapp's leave of absence on account of illness, beginning last April. Mr. Dunn became associated with Mr. Sapp in 1936, spent four years in military service and returned to New England Mutual in March, 1945, and became office supervisor.

Get the "vital statistics" of your business—a new "Little Gem" from THE NATIONAL UNDERWRITER.

Set N.A.L.U. Mid-Year for Roanoke March 12-15

The trustees of National Assn. of Life Underwriters have selected Roanoke as the locale for the 1947 mid-year meeting of the national council. The dates are March 12-15.

N. Y. Federation Meets Dec. 11

The New York Insurance Federation will hold its annual meeting at the Hotel Commodore Dec. 11.

COUNTRY LIFE INSURANCE COMPANY

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THE MANUFACTURERS

COMPLETE BROKERAGE FACILITIES

All Life, Endowment and Annuity Plans.
Favorable Par. and Non-par. rates.
Standard and Sub-standard risks.
Facilities for handling large cases.
Civilian Foreign Travel Coverage.
Annuities — Single Premiums up to \$100,000.
Prompt and Efficient Service.

INSURANCE IN FORCE, 853 MILLION DOLLARS
(Including Deferred Annuities)
ASSETS, 295 MILLION DOLLARS

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INSURANCE COMPANY

HEAD OFFICE:
TORONTO, CANADA
Established 1887

LEGAL RESERVE FRATERNALS

Maccabees Official Titles Are Modernized at Detroit Convention

Maccabees' head office executive titles were modernized at the Detroit convention, with J. B. Baker, supreme commander, being designated as president, and John P. Stock, supreme record keeper, as secretary-treasurer.

D. V. Chapman, Los Angeles, was named lieutenant commander, and Mrs. Eula G. Bates, Fort Worth, chaplain. Two new trustees are George Shelley, New York City, and Walter Macklin, Montreal. Other trustees elected are: H. S. Hudson, Portland, Ore.; R. D. Robinson, Pittsburgh; J. R. Zmunt, Cleveland; Peter Wiggle, Detroit, and Reuben Young, Dallas.

The State Managers Association at a meeting extended membership to include all great commanders and also the president, secretary-treasurer and field director. Newly elected officers of the State Managers Association are: President, A. W. Frye, Portland, Me.; vice-president, N. C. Wiley, Lewisburg, Tenn.; secretary-treasurer, C. E. Moss, Atlanta.

The Fraternal Insurance Counselors group consisting of 31 individuals including J. E. Little, field director and actuary, and R. E. Morris, assistant actuary, both of the home office, had a breakfast meeting and elected new officers: President, Frank Garber, Toronto; vice-president, Frank Johnson, Lewiston, Me.; supreme mistress, Ella Meade Palmer, Lexington, Ky.

Women's Club Elects

The Green Cucumber Club, an organization consisting exclusively of women, held a dinner meeting. Newly elected officers are: President, Mrs. J. E. Little; vice-president, Mrs. Bertha McCull; secretary, Mrs. Lillian Johannsen;

Openings for Agents in Several Good States. Complete portfolio popular policies:

Life

Health and Accident
Hospital Expense

Generous commissions and bonus

• • •

The Standard LIFE Association

Lawrence, Kansas
Founded 1890



THE WOMAN'S BENEFIT ASSOCIATION
Founded 1892
A Legal Reserve Fraternal Benefit Society
Bina West Miller, Supreme President
Frances D. Partridge, Supreme Secretary
Port Huron, Michigan

treasurer, Mrs. Sadie Minor, all of Detroit, and mistress of courtesy, Mrs. Eula G. Bates, Fort Worth.

Maccabees, with headquarters in Detroit, Michigan, on the basis of the new business record, had so much success for eight months of 1946, anticipates it will be a \$50 million year. A special campaign is being conducted in September, October, November and December. As a special inducement to write increases on young members, encouragement is to be granted throughout the campaign in transferring junior members into the adult department. In the first eight months of 1946, 3,000 such members were transferred, and it is the goal to admit at least 2,000 more juniors to adult membership in the four month campaign.

Cal. Attorney General Rules on Vital Issue

LOS ANGELES—Attorney General Kenny has handed down an opinion on regulations covering local lodges of licensed fraternal societies, in response to an inquiry from Commissioner Garrison as to whether a local lodge may provide benefits exclusively for members for whom the society assumes no responsibility, and whether the law requires them to issue benefit certificates evidencing the disability coverage provided by them to their members.

The attorney general found that local lodges cannot operate insurance funds as such without being subject to provisions of insurance law. The question whether a society as a whole or the local lodge is responsible for operation of the funds in the first place is one of internal government of the society, but any insurance contract between a society or its subordinate lodge and members could be so issued only under a license issued to the society, hence the society would be ultimately responsible, he ruled.

Since the society cannot lawfully operate under the chapter regulating it without issuing benefit certificates, and the certificates can be issued only under the certificate of authority held by the society, it follows that written benefit certificates or policies must be issued either by the subordinate branch as agent for the society, or by the society itself, the attorney general concluded.

Plan to Reduce Rates of Old Members Rejected

MILWAUKEE—A proposal that death benefit dues of members of the North American Swiss Alliance be reduced when members reach a specific age was rejected by delegates to the three-day convention here. Proponents of the plan argued the spirit of fraternalism should dictate reduction of dues when they became a hardship to the member. However, opponents pointed out that insurance rates are based on life expectancy statistics and it would be dangerous to reduce them because of sentiment.

N. J. Court of I.O.O.F. Elects

NEWARK—Samuel Levin of this city was elected high chief ranger of the New Jersey high court of Independent Order of Foresters at the biannual convention. Others elected are:

Miss Edwards Heads Cashiers

Jeanette Edwards, Metropolitan Life, has been elected president of the Life Agency Cashiers of Davenport.

Branches Close on Saturdays

District offices, office accounts and detached offices of Metropolitan throughout the U. S. will be closed all day Saturday until further notice. This action follows favorable reaction of policyholders and field organization.

Vice chief ranger, J. L. Hatfield, Newark; secretary, A. J. Lecque, North Bergen; treasurer, A. J. Whitehill, Jersey City; physician, Dr. Joseph Levin; Newark; counsel, Hyman Busch; Newark; councilors, A. J. Crowley and Lionel Potsdam, both of Newark, and auditors, P. J. Gisleson, Red Bank, and Samuel Granata, North Bergen.

man; Code, George G. Perrin, Mod Woodmen, chairman.
Installation of officers, installing officer, Grace W. McCurdy, president Report of Election

Programs for N.F.C. Section Meetings

Programs for the annual meeting a number of sections of the National Fraternal Congress to be held in Morrison hotel, Chicago, Oct. 21, preceding the convention of the N.F.C. there were announced this week.

W. C. Braden of Woodmen of the World, Omaha, is president of the Secretaries Section and George H. Crowley of Catholic Order of Foresters, Chicago, is secretary-treasurer. The vice-president is Mrs. Susan Matusak of Catholic Slovak Ladies' Union, who the usual custom probably will elected president.

G. P. Michalski, president of Police Association of Milwaukee, is president of the State Congresses Section; M. Edna E. Dugan of Degree of Honor first vice-president; T. L. Bacon of W.O.W., second vice-president, and M. Helen E. Wold of Royal Neighbors, Lyndhurst, N. J., secretary-treasurer. The first vice-president generally is advanced.

The complete program for the President's section has not been announced but Dr. Morris Fishbein, editor of "Journal" of the American Medical Assn., who is leading the fight against regimentation of physicians and neurologists of the country through a too paternalistic and bureaucratic federal health insurance scheme, will talk on "Program for the Nation's Health." The A.M.A. has brought out a plan which believes will avoid the pitfalls that interests believe are to be found in our proposals made in Washington.

George S. Ling, associate attorney Woodmen of the World, Omaha, will discuss the New York law requiring valuing of 4% reserve business and setting aside of a deficiency reserve based on the lower earning power money today. The afternoon will be voted entirely to a joint meeting with the Law Section and Fraternal Actuarial Association on the subject of the proposed uniform fraternal code.

T. W. Midkiff, W.O.W., Denver, president; J. B. Baker, Maccabees, Detroit, vice-president, and likely the selection for next president; Fred A. Johnson, Royal League, Chicago, secretary-treasurer.

The section programs are:

Secretaries Section

President W. C. Braden, presiding. Reading of minutes, George H. Crowley, secretary.

Appointment of committees. Greetings, Walter C. Below, president Fidelity Life, Fulton, Ill.

"Personalizing Relationship Between Home Office and Members," John Stock, secretary Maccabees, Detroit.

Report of Committees on resolutions, Joseph F. Sheen, Ben Hur Life, chairman.

Report of Secretary-treasurer. "Local Lodge Accounting," W.



One of America's Leading Fraternal Life Insurance Societies

AID ASSOCIATION for LUTHERANS
APPLETON, WISCONSIN

right, secretary Ancient Order of United Workmen, Fargo, N. D. Reports of committees. Election of officers.

Luncheon Meeting

1. Round table discussion: "Justifying the Privileges Granted Fraternal Benefit Societies." Lodge Meetings and State Laws—Discussion led by Thomas R. Heaney, high chief ranger C. O. F., and past president of N. F. C. (b) Fraternal Activity and Tax Exemption—Discussion led by Mrs. Grace McCurdy, head of Royal Neighbors, Rock Island, Ill., and past president of N. F. C. (c) Advantages Obtained Through Putting Fraternity in Action—Discussion led by Farrar Newberry, president W. O. W., Omaha, and past president of N. F. C. (d) General discussion. 2. Installation of new elected officers.

State Congresses Section

9:30 a. m.—President J. P. Michalski, residing. Greetings, President Below of N. F. C. and Margaret Gorman, president Illinois State Congress. Reading of Minutes, Secretary-treasurer Helen E. Wold. Reports of credentials committee, officers and state congresses. Announcement of committees. Luncheon—Address: "Future Outlook," Alex O. Benz, president Aid Association for Lutherans, Appleton, Wis., and past president of N. F. C. Afternoon session—1:45 p. m. "Field Promotion," John E. Little, agency and field director Maccabees, Detroit. Reports of state congresses and committees. Election and installation of officers.

Law Section—9:30 A. M.

President's address, O. Stum Wells, Woodmen Circle, Omaha. Report of Secretary-treasurer, George L. McDonald, Modern Woodmen, Rock Island, Ill. "Legal Responsibilities of Management," Bernard J. Seeman, general counsel, Woodmen of the World, Denver. Discussion. "Can Fraternal Insurance Contracts Be Assigned?" Richard F. Allen, secretary and general counsel Standard Life, Lawrence, Kan. Discussion. Forum relative to legislation and taxation. Election of officers.

Afternoon, 2 P. M.

Forum relative to proposed Fraternal Code—Joint meeting with Presidents Section and Fraternal Actuarial Association. Discussion, led by George G. Perrin, general counsel, Modern Woodmen.

Name Committees to Aid Medical Care Cooperation

(CONTINUED FROM PAGE 8)

and Lester Perry, Harrisburg, Pa. Ex-officio members are Mr. Ketchum, Frank Dickinson, director bureau of medical economics and Howard Brower. Association members of the sub-committee to study rural problems are: James R. McVay, Kansas City, member of council on medical service, chairman; F. S. Crockett, Lafayette, Ind., chairman of the A.M.A. committee on rural health, and L. S. Kleinschmidt. Mr. Dickinson was appointed an ex-officio member.

The Health & Accident Underwriters conference, American Mutual Alliance, Association of Casualty & Surety Executives and Life Insurance Association America will represent the insurance interests on both committees and will designate representatives to attend any meetings that may be held.

An invitation is to be extended to the Cross Commission of the American Hospital Association and the American Hospital Association to be represented both of the sub-committees.

Ambrose Kelly, American Mutual Alliance, acted as chairman of the insurance group at the conference and A. N. Martin, American Life Convention, as secretary.

An outstanding feature of the conference was the interest manifested by high officials of the A.M.A., which indicates that the organization will be solidly behind the proposed program. Officials in attendance, in addition to those already named, included H. H. Shoulders, Nashville, president; Roy Fouts, Omaha, speaker house of delegates, and John H. Tzgibbon, Portland, Ore., trustee. The

Mieher Operates New Southern Farm Bureau Unit

David Mieher is leaving Country Life of Chicago to become manager of the newly organized Southern States Life of Memphis. He thus remains with the farm bureau orbit. Country Life is an adjunct of Illinois Agricultural Assn. and Southern States Life is sponsored by farm bureaus of some six southern states.

Mr. Mieher has been manager and superintendent of agencies of Country Life for the past several years. He is well versed in administrative operations and is a talented agency executive. Country Life has had an impressive record that is all the more remarkable because it confines its attention to but its home state.



DAVID MIEHER

Life Insurance Selling Is Termed Vocation of Ideas

Life insurance selling is a vocation of ideas, Victory Mutual Life of Chicago states in the introduction to its rate book.

"Insurance nowadays is sold to give coverage for a vast variety of needs," the introduction comments. "The competent agent of today is more and more getting the status of an insurance adviser."

"One's insurance needs now present a delicate problem to be studied and analyzed, and the agent who makes the sale is the one who can approach the prospect tactfully, ascertain all the essential elements entering into the problem and then present a plan that will best meet the needs on the funds available.

Public Attitude Changing

"To do this you must know very definitely what your company offers in the way of variety, options and privileges. In other words, your policy contract must be studied diligently."

"The attitude toward the life insurance agent is changing. As the intelligence of the general public in the matter of insurance increases, so must the agent keep pace. If he doesn't, he cannot expect to survive. Life insurance underwriting is more than mere honesty; it is knowledge and education. It is a vocation of ideas."

Two Join Retail Credit

Walter Schutze, who was discharged from the army as a major, has returned to his work with the Retail Credit Co. at San Antonio as assistant manager. R. F. Egloff, formerly with the Milwaukee office, after five years in the service also has joined the San Antonio office.

executive committee of the board of trustees was represented by E. L. Henderson, Louisville, chairman, William F. Braasch, Rochester, Minn., and Ernest E. Irons, Chicago. Morris Fishbein, and Edwin Jordan, editor and associate editor of the "Journal of the American Medical Association," were present.

Medical Care Plan executives included Lester Perry, director of Medical Service Association of Pennsylvania, Harrisburg; A. J. Offerman, Nebraska Medical Service, Omaha; Norman Scott, Medical-Surgical Plan of New Jersey, Newark; F. K. Helsby, Surgical Care, Inc., Kansas City; F. L. Feierabend, Kansas City, Associated Medical Care Plans, Inc.; Ralph Weber, Wisconsin Plan, Madison. The Fraternal Order of Eagles was represented by L. F. Bucher, Dayton, O.

Huge Convention of Mutual Benefit to Be in Chicago

Mutual Benefit is preparing for the largest agents convention in its history to be held in the Edgewater Beach hotel, Chicago, Oct. 14-16. Attendance, including about 28 home office people, general agents and wives is expected to be close to 900. The convention is a telescoping of the war-postponed centennial convention with the current club year meeting. One of the features will be attendance at the show "Fate of the Nation," and Mutual Benefit has virtually bought out the house for the night of Oct. 15 so that all may attend.

Chairman W. Paul Stillman will attend and give an address, and President John R. Thompson will talk on "Current Activities of the Company." The Tuesday program will also include talks by an outside speaker to be announced later and by Thomas H. Beck, president Crowell-Collier Publishing Co. Bill C. Thurman, second vice-president, will discuss "Prestige Building."

Detailed Program

The afternoons will be devoted to recreation and there will be no banquet. The first morning will be featured by a reception at which company officials, general agents and officers of the General Agents Assn. will be introduced by W. E. Wright of Cincinnati. Frederick N. Winkler of Cleveland is association president.

There will be a number of group meetings the second and third mornings, the subjects and discussion leaders being: Tuesday—Analograph, Edward C. Hawes, director of sales training (this to be continued Wednesday); "Stock Retirement and Partnership Liquidation Plans," Grant A. Sharpe, pension trust authority at the home office; Wednesday—"Information Please," Sidney Weil, Cincinnati, the company's leader; "Retirement Income and Step-by-Step Plan," C. Spaulding Southall; "Keyman Insurance," Mr. Sharpe. Mr. Weil will lead discussion and analysis of questions asked by the agents relating to cases of \$50,000 or less.

Noted Editor to Speak

Grove Patterson, editor-in-chief Toledo "Blade," and past president American Society of Newspaper Editors, will talk Wednesday morning, and there will be a general meeting with Rein Vader of Grand Rapids as chairman at which a representative of an advertising agency will give sales slants on Mutual Benefit's new advertising campaign.

W. E. Wright is in charge of the program, Mr. Vader of hospitality, Paul H. Day, Jr., of Newark is sports chairman, and Mildred S. Stone, agency field secretary at the home office, of women's activities. In addition, Mrs. Alice B. Ingalls, wife of Alan S. Ingalls, manager Mutual Benefit clearing house, Chicago, is chairman of a local committee on women's entertainment, which also includes the wives of Paul W. Cook and Bruce Parsons, the Chicago general agents.

11 More Veterans Complete N. E. Mutual Refresher

Eleven returned veterans, representing a total of 41 years' active duty in world war II, have completed a concentrated nine-day refresher course in New England Mutual's home office. Four are ex-naval officers—two lieutenants, a lieutenant commander and a captain—and six former army men—two sergeants, a major, two lieutenant colonels, and a colonel—plus a former USO director.

This is the final refresher course for returned veterans in the series that has graduated 87. The men who completed the first four seminars now are paying for new business at an average rate of more than \$250,000 a year. The next

course in New England Mutual's post-war educational program will be held in November for agents who recently joined the company.

Brundage Joins Mutual Benefit in Home Office

John D. Brundage has joined the agency department of Mutual Benefit Life as sales promotion manager. He has been in sales promotion, publicity and direct mail work with Bankers National since his release from military service in October 1945. Mr. Brundage is a graduate of Princeton University.

T. I. Parkinson, C. F. Williams on Mortgage Bankers Card

CINCINNATI—Insurance speakers at the annual meeting of the Mortgage Bankers Assn. of America here, Sept. 30-Oct. 1-2, include T. I. Parkinson, president of Equitable Society; C. F. Williams, president of Western & Southern Life; H. L. Hodell, vice-president of Union Central, and G. D. Brooks, investment department manager of National Life & Accident.

P. J. Vollmar, vice-president of Western & Southern, is president of the mortgage bankers local chapter.

Sheidler Four-Way Leader

Dewey A. Sheidler, Ohio State Life, Washington Courthouse, O., who is associated with the Columbus agency, was the company leader in face amount of paid insurance written in August, was listed as a member of the Top Twenty, qualified for membership in the President's Club and was designated as the company's Man of the Month. He has been with Ohio State Life 20 years.

Agency Observes 98th Year

While Connecticut Mutual celebrates its 100th anniversary this year, its local agency in St. Louis, Morton & Morton, will have its 98th birthday. It was the company's first branch west of the Mississippi. S. L. Morton reports the agency had an increase of 25% in paid business the first eight months this year over the same period in 1945.

New president of the Ohio National Life Builders Club is L. A. Wood, Springfield, Mo.; vice-presidents, K. B. Wade, Lancaster, Pa.; V. E. Rouse, Minneapolis; W. W. Bassett, Peoria; secretary, R. G. Nixon, Owenton, Ky.; treasurer, E. B. Seidel, Omaha.

It was decided to meet annually instead of biennially, and the 1947 site is French Lick Springs, Ind.

Social Security in a "nut shell"; plus the gadget appeal. That's the Social Security Pocket Slide. Ask THE NATIONAL UNDERWRITER.

Life Conventions

Sept. 30-Oct. 2, Bureau Personal A. & H. Underwriters, annual, Stockbridge, Mass.

Oct. 7-11, American Life Convention, annual, Edgewater Beach Hotel, Chicago.

Oct. 9-11, Institute of Home Office Underwriters, Edgewater Gulf Hotel, Edgewater Park, Miss.

Oct. 21-24, National Fraternal Congress, Hotel Morrison, Chicago.

Oct. 31-Nov. 2, Illinois Life Underwriters, midyear, Pere Marquette Hotel, Peoria.

Nov. 11-13, American Institute of Actuaries and Actuarial Society of America, joint fall meeting, Netherland Plaza Hotel, Cincinnati.

Nov. 14-16, Home Office Underwriters Assn., annual, Netherland Plaza, Cincinnati.

Dec. 10-11, Assn. Life Insurance Counsel, winter meeting, Waldorf-Astoria, N. Y.

Dec. 12-13, L.I.A.A., annual, Waldorf-Astoria, New York.

Jan. 8-10, National Assn. of A. & H. Underwriters, Blackstone hotel, Miami Beach.

May 12-14, Eastern general agents and managers conference, Homestead, Hot Springs, Va.

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THE BOURSE PHILADELPHIA

Incentive Pay Urged as Offset to Help Shortage

(CONTINUED FROM PAGE 2)

of familiarity with routine detail. An office manager must know psychology, science, mechanics, organization, sociology, economics, accounting and other fields because he meets them face to face every day while other executives generally only sit in top conference discussions of the subjects. One of the common mistakes of the office executive is preoccupation with the technical phase of his work to the extent that he does not do a real leadership job.

J. S. Covell, system manager of International Resistance Co., Philadelphia—A policy enforcement would help office managers troubled by the present shortage of competent office help, adequate equipment, and floor space, who have to be sure there is no wasted effort in their offices. It might be a one-man unit for the small office with the office manager handling the job himself or a separate unit operating under a "systems manager" in larger organizations but it is a "must" for survival. Representatives of such a systems unit should periodically review procedures with employees who perform the work to make certain there is no lost time or motions. Issuing fewer procedures and making certain they are followed produces more successful results than many procedures that are disregarded.

Forms Must Be Functional

B. B. Klopfer, general office manager Standard Register Co., Dayton, O.—Cost, production and the usage of forms are usually approached from the standpoint of standardizing sizes, weights, colors, group printing orders but much more can be gained now by questioning the design of the form and the reason for its use in the first place. Management is getting away from the query "How much does this form cost?" It is learning that an improperly designed form costing one cent may require as much as one dollar's worth of employees labor to fill it in, whereas a scientifically drafted form produced at a cost of six cents may require only 50 cents worth of employee time. A well designed form should be easy to follow, facilitate a flow of continuous writing, require a minimum of writing, take full advantage of writing machine facilities, be easy to handle and economical in size.

Phoenix Mutual Names Managers

Phoenix Mutual Life is making a number of managerial changes throughout the country.

Robert Schott becomes manager of the Chicago La-Salle agency, where he started a number of years ago. He has been manager at Springfield, Mass., and had supervisory assignments at Rochester and Newark.

John Sinning, who has been on the supervisory circuit, becomes manager at Minneapolis. Arthur Austin, who has been temporarily in charge at Washington, is assigned to Portland, Ore., as manager. Col. John C. Alcott is returning from military service to resume management at Washington.

Bond Lexington Manager

R. Waller Bond, formerly manager of Metropolitan Life at Louisville, has been transferred to Lexington, Ky. He succeeds Spencer H. Brown, who becomes manager at Jackson, Tenn.

Mr. Bond was in the printing business before joining Metropolitan as an agent in Lexington in 1911.

Mr. Brown, who succeeds Martin V. Joyce, joined Metropolitan in 1930 as an agent in Knoxville.

Schultz Relates Experiences with Partnership Sales

As long as partnerships remain unconverted to corporations there still will be a fine market for partnership life insurance, Harry R. Schultz, Mutual Life, Chicago, declared in his speech before the Million Dollar Round Table at French Lick Springs.

Mr. Schultz said he classifies partnerships into four groups: partnerships without any liquidation agreements; partnerships with liquidation agreements funded with insurance which has been improperly handled by incompetent agents; partnerships with excellent agreements and proper funding, but inadequate coverage; partnerships in which there is a need for key men insurance.

Partnerships without buy and sell agreements are most receptive to the idea of creating an agreement that would provide for complete continuation of the business for the survivor and a fair price for the family of the deceased, Mr. Schultz said. When partners realize that a partnership automatically terminates upon death of a partner and that the heirs of the deceased can force a liquidation, they are most receptive.

Mr. Schultz outlined one of his recent partnership cases, that of two brothers aged 50 and 38 respectively, with the older brother having a two-thirds interest in the business. The younger brother visualized the impossible situation he would have with his brother's wife, should his older brother die and how all of their efforts would have been in vain if he had to liquidate the business to pay her off since it would be impossible for him to continue with her as a partner. He confided that in order to avoid such a situation he would purchase that portion of the business which would put him on an equal partnership basis if he had sufficient cash.

The case is a perfect example of how important the life underwriter's advice would be in the solution of a major business problem. The prospect proceeded to sell his brother on the idea of a liquidation agreement and eventually wound up in a \$90,000 case. A nephew was given the opportunity to purchase policies on the lives of his uncles, so that he could buy into a larger share of the business at a later date for which \$40,000 additional was placed.

Mr. Schultz recounted a case into which he was called by an attorney to review policies and partnership liquidation agreements that was a super-duper streamlined affair. This consisted of only two pages and left out many of the essential clauses of the partnership agreement. It had all the earmarks of being drawn up by the agent himself.

Homemade Agreement

The partnership consisted of four brothers, the eldest of whom was uninsurable. Each had agreed to sell his interest for \$45,000. In funding the plan each one used \$20,000 of old personal life insurance policies; \$10,000 on the life of one brother and \$15,000 on another, including the double indemnity feature. For the balance of funding, the partnership put up \$10,000 of government bonds for the uninsurable brother and purchased \$25,000 of new life insurance on each of the three remaining brothers. Mr. Schultz termed this as messy a case as anyone could conjure up.

Most agents don't attempt to write business insurance agreements themselves, but there are many attorneys who are not too familiar with the ramifications of these agreements. The career agent can be of invaluable assistance in this type of case.

He said there are all too many cases of excellent partnership agreements with proper funding, but with inadequate coverage. With business values on the increase since 1938, the agent should review existing partnership cases.

Hobbs and Harwood on A.L.C. Card

Aubrey Harwood and Philip B. Hobbs have been added to the roster of speakers for the annual meeting of American Life Convention at Chicago the week of Oct. 7.

Mr. Harwood, who is vice-president and counsel of Pacific Mutual, will address the general session Wednesday afternoon, Oct. 9, on "Leadership in Troubled World."

Mr. Hobbs, who is agency manager at Chicago for Equitable Society, newly elected president of the National Assn. of Life Underwriters, will speak during the general session Friday morning, "The Cooperative Ideal."

Parties, Dances

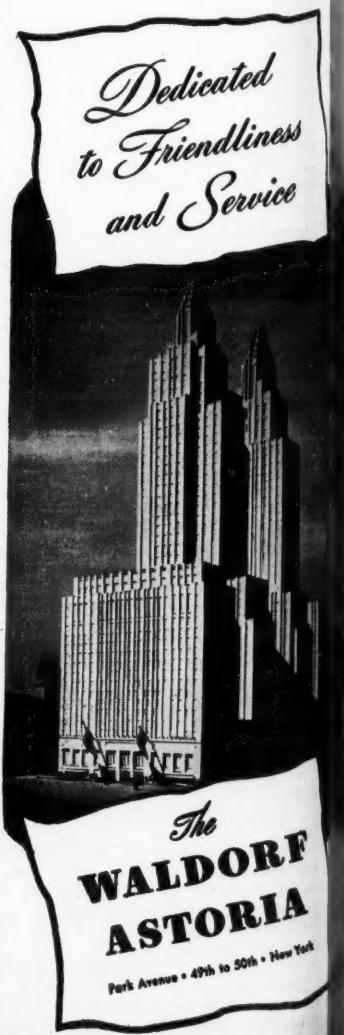
The dinner dance will be held Thursday evening, Oct. 10, preceded by a cocktail party tendered members and guests by William M. Dewey, president of the Edgewater Beach Hotel, who is an honorary member of A.L.C.

A program of entertainment for the ladies has been arranged. There will be a tea Tuesday afternoon, during which Mrs. Ann Birk Kuper will give a dramatic impersonation, based on "Carrie sel." A theater party is being arranged on Wednesday for "Dream Girl."

Ill. Bankers Sales Rallies

Illinois Bankers Life is holding a two-day sales congress at Wichita, Kansas this week and a one-day sales congress at Cleveland, Sept. 30. These meetings will launch the annual loyalty campaign October and November.

President E. H. Henning, Vice-president Hugh D. Hart, Harvey Thorpe, western superintendent of agents and Fred C. Adams, eastern superintendent are attending.



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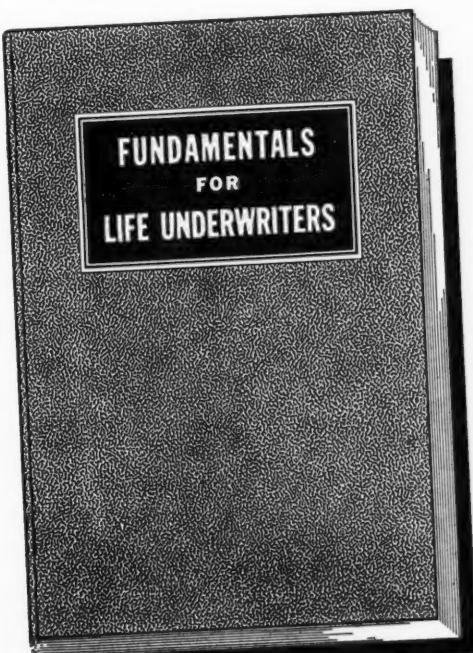
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- I. Life Insurance and Its Uses
- II. The Basic Life Insurance Policies
- III. Premiums, Dividends and Non-Forfeiture Values
- IV. Additional Policy Provisions
- V. Settlement Options and Annuities, Double Indemnity and Waiver of Premium Benefits
- VI. The Legal Phases of Life Insurance



ABOUT THE AUTHOR

In November, 1938, William A. Spiker, C. L. U., joined the Agency forces of one of the largest of the American Companies in New York City, and paid for \$200,000 of Life Insurance in his first year.

From January 1, 1940, to November, 1941, he held the position of Supervisor, being responsible for recruiting and training Agents in one of this Company's New York City branches.

In November, 1941, he was transferred to the Home Office of his Company as Educational Supervisor in the New York City territory. In this capacity, he prepared a complete course for prospective Agents, which was designed to equip them for New York State License Examinations. Such work involved the actual conduct of classes by Mr. Spiker, and his record as an instructor was outstanding, since very few applicants taking his course failed to pass the License Examinations.

In February, 1943, Mr. Spiker was moved to the Detroit branch of his Company to assume supervisory duties in that city, and he remained at this work until April, 1944, when he was commissioned as an officer in the United States Navy.

After serving 21 months in the Navy, 15 months of which were as commanding officer of an LCI, he was released to inactive duty and was appointed to the management of the Cincinnati branch of his Company on February 1, 1946.

Thus, because of his experience in personal selling, teaching, and supervising, he is eminently fitted to prepare a work of this kind.

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